

**Item 1 – Cover Page**

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**Date of Disclosure Brochure: May 15, 2015**

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This disclosure brochure provides information about the qualifications and business practices of Tennessee Valley Asset Management Partners, LLC (also referred to as we, us and TVAMP throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Jeffrey B. Foster at (865)226-9982 or [jeffrey.foster@lpl.com](mailto:jeffrey.foster@lpl.com). The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about TVAMP is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm's information on this website by searching for Tennessee Valley Asset Management Partners, LLC or our firm's CRD number 160321.

\*Registration as an investment advisor does not imply a certain level of skill or training.

## Item 2 – Material Changes

Since our last ADV annual amendment filed in March 2015, the following are material changes to our disclosure brochure:

- An update to our assets under management. The firm has now reached the level of assets under management to move their registration to the United States Securities and Exchange Commission (“SEC”) **(Please refer to Item 4.)**;
- We have opened a new office which will serve as the new main office for the firm, 6025 Brookvale Lane, Suite 160, Knoxville, TN **(Please refer to Item 1)**.

We will ensure that you receive a summary of material changes, if any, to this and subsequent disclosure brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes, if any, no later than April 30 each year. At that time we will also offer a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

### Item 3 – Table of Contents

Item 1 – Cover Page .....	1
Item 2 – Material Changes .....	2
Item 3 – Table of Contents .....	3
Item 4 – Advisory Business .....	5
Introduction .....	5
Description of Advisory Services .....	5
Limits Advice to Certain Types of Investments .....	9
Participation in Wrap Fee Programs .....	10
Tailor Advisory Services to Individual Needs of Clients .....	10
Client Assets Managed by TVAMP .....	10
Item 5 – Fees and Compensation .....	10
Asset Management Services .....	11
Traditional Asset Management Program .....	11
Wrap Fee Program .....	11
General Information on Asset Management Fees .....	12
Model Wealth Portfolios .....	14
Manager Access Select Program .....	15
Financial Planning & Consulting Services .....	18
Third-Party Money Managers .....	21
Pension Consulting Services .....	22
Variable Sub-Account Management Services .....	22
Newsletters .....	23
Seminars .....	23
Item 6 – Performance-Based Fees and Side-By-Side Management .....	24
Item 7 – Types of Clients .....	24
Minimum Investment Amounts Required .....	24
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	24
Methods of Analysis .....	24
Investment Strategies .....	26
Risk of Loss .....	27
Item 9 – Disciplinary Information .....	28
Item 10 – Other Financial Industry Activities and Affiliations .....	28
Third-Party Money Managers .....	29
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading .....	30
Code of Ethics Summary .....	30
Affiliate and Employee Personal Securities Transactions Disclosure .....	30
Item 12 – Brokerage Practices .....	31
Directed Brokerage .....	31
Handling Trade Errors .....	32
Block Trading Policy .....	32
Agency Cross Transactions .....	33
Item 13 – Review of Accounts .....	33
Account Reviews and Reviewers .....	33
Statements and Reports .....	34
Item 14 – Client Referrals and Other Compensation .....	34
Item 15 – Custody .....	34
Item 16 – Investment Discretion .....	35
Item 17 – Voting Client Securities .....	36

Class Action Lawsuits .....	36
Item 18 – Financial Information.....	36
Customer Privacy Policy Notice .....	37

#### **Item 4 – Advisory Business**

TVAMP filed is an investment advisor registered with the United States Securities and Exchange Commission (“SEC”) and is a limited liability company (LLC) formed under the laws of the State of Tennessee.

- Jeffrey B. Foster is the Chief Compliance Officer (CCO) and Managing Member of TVAMP. Jeffrey B. Foster owns 33.33% of Tennessee Valley Asset Management Partners, LLC.
- Charles J. Sweat is the Managing Member of TVAMP. Charles J. Sweat owns 33.33% of Tennessee Valley Asset Management Partners, LLC.
- Scott B. Fisher is the Managing Member of TVAMP. Scott B. Fisher owns 33.33% of Tennessee Valley Asset Management Partners, LLC.
- TVAMP filed its initial application to become registered as an investment adviser in January 2012.

#### **Introduction**

The investment advisory services of TVAMP are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of TVAMP (referred to as your investment adviser representative throughout this brochure).

Your investment adviser representative typically is not an employee of TVAMP; rather, your investment adviser representative typically is an independent contractor of TVAMP.

Your investment adviser representative is limited to providing the services and charging investment advisory fees in accordance with the descriptions detailed in this brochure. However, the exact services you will receive and the fees you will be charged are dependent upon your investment adviser representative and your geographic location.

#### **Description of Advisory Services**

The following are descriptions of the primary services of TVAMP. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and TVAMP before we can provide you the services described below.

**Asset Management Services** – TVAMP offers asset management services, which involves TVAMP providing you with continuous and on-going supervision over your specified accounts.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. Accounts are therefore managed on the basis of your individual financial situation and investment objectives. At least quarterly, you are reminded to notify us whether your financial situation or investment objectives have changed, or if you want to impose and/or modify any reasonable restrictions on the management of your accounts. At least annually, we contact individual clients to determine whether their financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of accounts managed. We are always reasonably available to consult with individual clients relative to the status of their accounts. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions we take for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

**Financial Planning & Consulting Services** - TVAMP offer financial planning services, which involves preparing a written financial plan covering specific or multiple topics. We provide full written financial plans, which typically addresses the following topics: Investment Planning, Retirement Planning, Insurance Planning, Education Planning, Portfolios Review, and Asset Allocation. Under this program, the role of your investment adviser representative as a financial planner is to find ways to help you understand your overall financial situation and help you set financial objectives. We also provide modular written financial plans which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that other important issues may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan. Written financial plans prepared by us under this Agreement do not include specific recommendations of individual securities.

We also offer consultations in order to discuss financial planning issues when you do not need a written financial plan. We offer a one-time consultation, which covers mutually agreed upon areas of concern related to investments or financial planning. We also offer "as-needed" consultations, which are limited to consultations in response to a particular investment or financial planning issue raised or request made by you. Under an "as-needed" consultation, it will be incumbent upon you to identify those particular issues for which you are seeking our advice or consultation on.

In addition to these services, we offer ongoing advisement consultations to participants in retirement plans (401(k) plans, profit sharing plans, etc.). When providing these services, we review your financial situation, goals and objectives as well as the investment options available in the retirement plan. We will review your retirement plan account at semi-annually intervals and will make such recommendations from the list of available investment options in your retirement plan account as are deemed appropriate and consistent with your stated investment objectives and risk tolerance. These services do not constitute

asset management services for your retirement plan account; we do not have investment discretion or trading authority over your retirement plan account. You determine whether or not to implement our advice. The implementation of any trades in your retirement plan account is your responsibility.

Our financial planning and consulting services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our financial planning and consulting recommendations. To the extent that you would like to implement any of our investment recommendations through TVAMP or retain TVAMP to actively monitor and manage your investments, you must execute a separate written agreement with TVAMP for our asset management services.

**Referral of Third-Party Money Managers** - TVAMP offers advisory services by referring clients to a third-party money manager offering asset management and other investment advisory services. The third-party managers are responsible for continuously monitoring client accounts and making trades in client accounts when necessary. As a result of the referral, we are paid a portion of the fee charged and collected by the third-party money managers in the form of solicitor fees. Each solicitation arrangement is performed pursuant to a written solicitation agreement and is in compliance with SEC Rule 206(4)-3 and applicable state securities rules and regulations.

Under this program, we assist you with identifying your risk tolerance and investment objectives. We recommend outside money managers in relation to your stated investment objectives and risk tolerance, and you may select a recommended third-party money manager or model portfolio based upon your needs. You must enter into an agreement directly with the third-party money manager who provides your designated account with asset management services.

We are available to answer questions that you may have regarding your account and act as the communication conduit between you and the third-party money manager. The third-party money manager may take discretionary authority to determine the securities to be purchased and sold for you. We do not have any trading authority with respect your designated account managed by the outside money manager.

Although we review the performance of numerous third-party investment advisor firms, we enter into only a select number of relationships with third-party investment advisor firms that have agreed to pay us a portion of the overall fee charged to our clients. Therefore, TVAMP has a conflict of interest in that it will only recommend third-party investment advisors that will agree to compensate us for referrals of our clients.

Clients are advised that there may be other third-party managed programs, not recommended by our firm, that are suitable for the client and that may be more or less costly than arrangements recommended by our firm. No guarantees can be made that a client's financial goals or objectives will be achieved by a third-party investment advisor recommended by our firm. Further, no guarantees of performance can ever be offered by our firm (please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more details).

**Pension Consulting Services** - TVAMP offers pension consulting services to retirement plan sponsors and to individual participants in retirement plans. For a corporate sponsor of a retirement plan, our pension consulting services can include, but are not limited to, the following:

- Plan assessment of fees and expenses;
- Investment alternatives;
- Fund selection for diversification;

- Performance and peer analysis;
- Investment policy statement;
- Review of conflicts of interest;
- Access to investment information;
- Fiduciary file set-up; and
- Employee education (meetings to explain plan and options and investment selections).

The exact suite of services provided to a client will be listed and detailed in the Qualified Retirement Plan Consulting Agreement.

All recommendations of investment options and portfolios will be submitted to the client for the client's ultimate approval or rejection. Therefore, it is always the client's responsibility to accept TVAMP's investment recommendations and then physically make changes to the plan itself.

In the event a client contracts with TVAMP for one-on-one consulting services with Plan Participants, such services are consulting in nature and do not involve TVAMP implementing recommendations in individual participant accounts. It will be the responsibility of each Participant to implement changes in their individual accounts.

We can also meet with individual participants to discuss their specific investment risk tolerance, investment time frame and investment selections.

**Variable Sub-Account Management Services** - Under our sub-account management services, TVAMP manages your variable annuity contract by selecting, monitoring and exchanging as necessary between sub-accounts available from the insurance company issuing the variable annuity contract.

Under this program, We assist you in completing a questionnaire which details your financial goals, risk tolerance and time horizon. You will have the opportunity to list on your investment advisory agreement with our firm any reasonable restrictions on the sub-accounts that may be utilized by TVAMP. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however, we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives.

Once you have provided us with the necessary information and made the appropriate authorizations, TVAMP utilizes trading authority to place the transactions as directed by you. TVAMP may utilize signal providers for guidance regarding investment strategies, asset allocations and timing of exchanges. TVAMP will monitor your sub-accounts and exchange sub-accounts as necessary and in accordance with your investment objective and risk tolerance.

#### Newsletters

TVAMP occasionally prepares general, educational and informational newsletters. Newsletters are always offered on an impersonal basis and do not focus on the needs of a specific individual.

#### Seminars

TVAMP may occasionally provide seminars in areas such as financial planning, retirement planning, estate planning, college planning and charitable planning. Seminars are always offered on an impersonal basis and do not focus on the individual needs of participants.

#### Workshops



TVAMP offers educational, informative and motivational workshops to the public as well as associations, family foundations and employers. Workshops are always offered on an impersonal basis and do not focus on the individual needs of the participants.

### **Limits Advice to Certain Types of Investments**

TVAMP provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Foreign Issues
- Warrants
- Corporate Debt Securities
- Commercial Paper
- Certificates of Deposit
- Municipal Securities
- Variable Annuities that have been approved for inclusion in the LPL Platform
- US Government Securities
- Options Contracts on Securities
- Interests in Partnerships Investing in Real Estate
- Interests in Partnerships Investing in Oil and Gas Interests

TVAMP primarily recommends Mutual funds and although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

Different mutual fund categories have different risk characteristics and investors should not compare different categories. For example, a bond fund and a stock fund that both have below average risk still have different risk/return potential (stock funds traditionally have higher risk/return potential). Risks are based on the investments held in the fund. For example, a bond fund faces interest rate risk and income risk and income is affected by the change in interest rates. A sector fund (investing in a single industry) is at risk that its price will decline due to industry developments. The following are some risks to consider when investing in mutual funds:

- Call Risk: A bond issuer may redeem high-yield bonds before maturity date due to falling interest rates.
- Default Risk: A bond issuer may fail to repay interest and principal.
- Income Risk: Dividends in a fixed income fund may decline due to falling interest rates.
- Geology Risk: Political events, natural disasters or financial problems may weaken a country or state's economy and cause investments to decline.
- Industry Risk: Stocks in a single industry may decline due to developments in that industry.
- Inflation Risk: Increases in the cost of living can reduce or eliminate a fund's actual returns when adjusted for inflation.
- Manager Risk: A manager may not execute the fund's investment strategy in a timely or effective manner.

When providing asset management services, TVAMP typically constructs each client's account holdings using Mutual funds to build diversified portfolios. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

You have the ability to place reasonable restrictions on the types of investments that may be purchased in your account.

*(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)*

### **Participation in Wrap Fee Programs**

TVAMP offers services through both wrap-fee programs and non-wrap fee programs. A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions. Whenever a fee is charged to a client for services described in this brochure (whether wrap fee or non-wrap fee), we will receive all or a portion of the fee charged.

### **Tailor Advisory Services to Individual Needs of Clients**

TVAMP's services are always provided based on your individual needs. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

Our financial planning and consulting services are always provided based on your individual needs. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

However, we will not enter into an investment advisor relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

When managing client accounts through our firm's Asset Management Services program, we may manage a client's account in accordance with one or more investment models. When client accounts are managed using models, investment selections are based on the underlying model and we do not develop customized (or individualized) portfolio holdings for each client. However, the determination to use a particular model or models is always based on each client's individual investment goals, objectives and mandates.

### **Client Assets Managed by TVAMP**

The amount of clients assets managed by us totaled \$105,000,244 as of April 30, 2015. \$105,000,244 is managed on a discretionary basis and \$0 is managed on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

In addition to the information provide in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements.

TVAMP allows your investment adviser representative to set fees within ranges provided by TVAMP. As a result, your investment adviser representative may charge more or less for the same service than another investment adviser representative of TVAMP. It should be noted that lower fees for comparable

service may be available from other sources. The exact fees and other terms will be outline in the agreement between you and TVAMP.

### **Asset Management Services**

#### ***Traditional Asset Management Program***

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in advance at the time the account is established.

The asset management services continue in effect until terminated by either party (i.e., TVAMP or you) by providing written notice of termination to the other party. When fees are billed in advance, TVAMP will prorate and refund any fees not charged but not earned during the final period. The amount of client assets on the termination date will be used to determine the final fee refund.

For our asset management services, clients will be charged a flat annual fee of up to 2.5% dependent upon the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account, the potential for additional account deposits, and the relationship of the client and the investment adviser representative.

There is a minimum account size of \$50,000. However exceptions to the minimum account requirements may be granted at the sole discretion of the advisor.

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

We are the sponsor of the TVAMP Asset Management Program ("TVAMP Program"), a wrap fee program developed through an arrangement using LPL Financial Corporation's ("LPL") Strategic Wealth Management platform. Through the TVAMP Program, we provide investment management services, including providing continuous investment advice to and making investments for you based on your individual needs. Through this service, we offer a customized and individualized investment program. A specific asset allocation strategy and suitability profile is crafted to focus on your specific goals and objectives. Your information should be updated regularly, but at a minimum every 2 years.

TVAMP Program accounts are custodied at LPL in its capacity as a registered broker/dealer, member FINRA/SIPC. LPL is also an investment advisor registered with the SEC, but does not serve as an investment advisor for you through the TVAMP Program. LPL provides clearing, custody and other brokerage services for accounts established through the TVAMP Program. Therefore, you are required to establish a brokerage account(s) through LPL's Strategic Wealth Management platform. Separate accounts are maintained for you, and you retain all rights of ownership of your accounts (e. g., the right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

TVAMP Program accounts allow you to authorize us to purchase and sell, on a discretionary or non-discretionary basis, portfolios consisting of securities and investments. We may limit our discretion with respect to your account and the securities eligible to be purchased for your account. See, **Limits Advice to Certain Types of Investments** under **Item 4 - Advisory Business** relative to possible securities and

investments utilized. See **Item 16 - Investment Discretion** for information concerning discretionary authority.

During any month that there is activity in the TVAMP Program account, you receive a monthly account statement from LPL showing account activity as well as positions held in the account at month end. Additionally, you receive a confirmation of each transaction that occurs within the TVAMP Program account unless the transaction is the result of a systematic purchase, redemption or exchange. You also receive a detailed quarterly report showing performance, positions, and activity. All account data and statements are also available on-line through the account view portal through LPL.

For our asset management services, clients will be charged a flat annual fee of up to 2.5% dependent upon the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account, the potential for additional account deposits, and the relationship of the client and the investment adviser representative.

There is a minimum account size of \$50,000. However exceptions to the minimum account requirements may be granted at the sole discretion of the advisor.

Fees charged for our TVAMP Program wrap account asset management services are negotiable based on the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account, the potential for additional account deposits, and the relationship of the client and the investment adviser representative.

The TVAMP Program account is a wrap fee account, meaning you do not pay transaction charges associated with trade execution. The TVAMP Program may cost you more or less than if the assets were held in a traditional brokerage account. In a brokerage account, you are charged commissions for each transaction, and the representative has no duty to provide ongoing advice with respect to the account. If you plan to follow a buy and hold investment strategy for the account or do not wish to purchase ongoing investment advice or management services, you should consider opening a brokerage account rather than a TVAMP Program account.

This section is intended to be a summary of the TVAMP Program. If you contract for TVAMP Program services you are provided with a copy of the TVAMP Program Form ADV Part 2A Appendix Disclosure Brochure.

#### **General Information on Asset Management Fees**

Prior to engaging us to provide investment management services, you are required to enter into a formal investment advisory agreement with us setting forth the terms and conditions, including the amount of investment advisory fees, under which we manage your assets and also a separate custodial/clearing agreement with LPL.

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Fees will be prorated (based on the number of days service to be provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in advance at the time the account is established. LPL is responsible for calculating and debiting all fees from your accounts with your written authorization. Those advisory fees are then paid directly to us. Fees are based on the account's asset value as of the last business day of the prior

calendar quarter. Fees for accounts opened at any time other than the beginning of a quarter are prorated based on the number of days remaining in the initial quarter.

TVAMP believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

You can choose how to pay your investment advisory fees. The investment advisory fees can be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account or you can pay our firm upon receipt of a billing notice sent directly to you.

If you choose to have the investment advisory fees deducted from your account, you must authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to TVAMP. Our firm will send you a billing statement prior to the time that fee deduction instruction is sent to the qualified custodian(s) of your account. The billing statement will detail the formula used to calculate the fee, the assets under management and the time period covered.

If you choose to pay the fees after receiving a statement, fees are due upon your receipt of a billing notice sent directly to you. The billing notice will detail the formula used to calculate the fee, the assets under management and the time period covered. Fees for the services of our firm will be due immediately after your receipt of the billing notice.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

TVAMP does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you may incur certain charges imposed by third parties other than TVAMP in connection with investments made through your account including, but not limited to, transaction charges, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by TVAMP are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

#### **Retirement Plan Participant Advice Program (RPPAP)**

As part of RPPAP, TVAMP, through its IARs, provides written asset allocation and/or specific investment recommendations for client retirement plan assets based on the investment options available within the retirement plan and based on the financial and other information provided by the client. The RPPAP services will be limited to recommendations for the following investment options: mutual funds, exchange traded funds, collective investment trusts, pooled separate accounts, allocations among annuity sub-accounts, publicly traded employer stock ("company stock") and other securities that may be available in brokerage windows or other similar plan arrangements that enable participants to select investments beyond those designated by the Plan. The IAR tailors the recommendation to the individual needs of the client based upon the investment objective chosen by the client. The engagement terminates upon delivery of the written recommendation.

The client retains the sole responsibility for determining whether to implement any recommendations made by the IAR and for placing any resulting transactions. TVAMP and the IAR do not provide ongoing consulting or management services, and do not have discretionary authority with respect to the client's retirement plan assets. In addition, TVAMP and IAR do not provide any advice or recommendations regarding any participant loans from client's retirement plan assets, or distribution options.

### **Fees for Retirement Plan Participant Advice Program**

TVAMP provides Retirement Plan Participant Advice Program services under an hourly fee arrangement. A fee in the range of \$250 per hour for Investment Advisor Representatives to \$100 per hour for clerical staff is charged by TVAMP for financial planning services provided under this arrangement. TVAMP provides in advance an estimate of the approximate hours to complete the financial planning services. If TVAMP anticipates exceeding the estimated amount of hours required, TVAMP will contact you to receive authorization to provide additional services. Any unpaid hourly fees are due immediately upon completion.

### **Model Wealth Portfolios**

TVAMP has entered into an arrangement with LPL to provide services through the Model Wealth Portfolios ("MWP") program, a wrap-fee program sponsored by LPL. If you contract for this service you must establish a brokerage account through LPL which serves as the broker/dealer and qualified custodian. MWP offers clients a professionally managed mutual fund asset allocation program in which LPL, in its capacity as an investment advisor, and we direct and manage specified client assets. A minimum account value of \$100,000 is required for MWP.

We obtain your necessary financial data and assist you in determining the suitability of MWP and in setting an appropriate investment objective. We assist you in opening an account and determining an investment portfolio designed by LPL's Research Department. LPL's Research Department is responsible for selecting the mutual funds within a portfolio and for making changes to the mutual funds selected. In certain cases a portfolio may consist only of mutual funds within the same fund family. In such a portfolio, LPL's Research Department will select only those mutual funds within the fund family.

You must grant us discretionary authority to select the portfolios suitable for you and must grant LPL discretionary authority to select investments held within portfolios and rebalance positions within the portfolios.

LPL follows a dynamic asset allocation investment style in constructing portfolios for MWP clients. Asset allocation methodology is implemented by combining investments representing various asset classes that respond differently to varying market conditions. Thus, if one asset class reacts negatively to certain market events, the potential exists for another asset class to react positively. However, there is no guarantee that the use of an asset allocation strategy will produce favorable results. We are responsible for providing you with information about the investment strategy and the portfolios selected for you.

You receive quarterly account statements (monthly when activity occurs in the account), confirmations, and performance reports directly from LPL.

The maximum annual fee charged through the program is 2.5% of the total value of assets held in your account(s). Fees are negotiable depending on the market value of the account, asset types, your financial situation and trading activity. The annual fees are divided and paid quarterly in advance through



a direct debit in your account(s). LPL is responsible for calculating and debiting all fees from your accounts. You must provide LPL written authorization to debit advisory fees from your accounts and pay those fees to us. Fees are based on the account's asset value as of the last business day of the prior calendar quarter. Fees for accounts opened at any time other than the beginning of a quarter are prorated based on the number of days remaining in the initial quarter. If you participate in MWP, you must execute the MWP Client Agreement.

We receive 55% to 85% of the fee charged to you. The portion we receive is based on the fees that LPL charges and they consider the amount of money in the program and the costs of trading and other internal expenses. Fees are not negotiable. We may also receive other compensation for participating in MWP such as bonuses, awards, or other things of value offered by LPL. The amount of this compensation may be more or less than if you had participated in our other advisory programs or if you paid separately for investment advice, brokerage and other client services. Therefore, we may have an incentive to recommend MWP over other programs.

You may also incur certain charges imposed by LPL or third parties other than us in connection with investments made through MWP accounts, including among others, the following types of charges: mutual fund management fees and administrative servicing fees, omnibus processing fees, sub-transfer agent fees, networking fees, other transaction charges and service fees, IRA and Qualified Retirement Plan fees, administrative servicing fees for trust accounts, and other charges required by law. LPL and our representatives, in their capacity as LPL registered representatives, may receive a portion of these third party fees.

You may incur certain charges imposed by third parties other than us in connection with investments made through the account, including but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges. Our representatives do not receive any 12b-1 fees that may be paid. However, unless otherwise stated in the MWP client agreement, advisory fees charged in retirement accounts are reduced by 12b-1 fees paid to LPL and our representatives in their capacity as LPL registered representatives.

You can terminate an MWP account by providing written notice to LPL. Upon termination, you are entitled to a prorated refund of any pre-paid quarterly fees based upon the number of days remaining in the quarter after termination. If you close the account within the first six months as a result of withdrawals bringing the account value below the required minimum, both we and LPL reserve the right to retain the pre-paid quarterly fees for the current quarter in order to cover the administrative cost of establishing an MWP account. The fees may include costs to transfer positions into and out of the account, data entry costs to open the account, costs associated with reconciling positions in order to issue quarterly performance reports and the cost of re-registering positions.

This section is intended as a summary of MWP. If you are contracting for MWP services, you receive the MWP Form ADV Part 2A Appendix providing detailed information regarding MWP.

### **Manager Access Select Program**

We have entered into an arrangement with LPL to provide services through the Manager Access Select Program ("Manager Select") sponsored by LPL. Manager Access Select provides clients access to the investment advisory services of professional portfolio management firms for the individual management of client accounts. We will assist client in identifying a third party portfolio manager (Portfolio Manager) from a list of Portfolio Managers made available by LPL. The Portfolio Manager manages client's assets on a

discretionary basis. We will provide initial and ongoing assistance regarding the Portfolio Manager selection process.

At your request, LPL may also act as portfolio manager on Manager Select accounts. Portfolio managers may also hire one or more sub-advisors to manage all or part of your Manager Select account. LPL is responsible for conducting due diligence on third party investment advisors and approving third party investment advisors for inclusion in Manager Select. We conduct our own due diligence and approval process prior to recommending a third party investment advisor to you.

We assist you in completing a confidential client profile enabling you determine appropriate investment guidelines. The confidential client profile is used to determine investment guidelines, risk tolerance, and other factors which assist in ascertaining the suitability of the Manager Select account and appropriate third party investment advisors.

Through Manager Select, we act as a solicitor when recommending you use third-party investment advisors. As a result, we are paid a portion of the fee charged and collected by LPL as the sponsor of Manager Select.

We are available to answer questions you may have regarding your account and act as the communication conduit between you and the third-party investment advisors. Third-party investment advisors take discretionary authority to determine the securities to be purchased and sold for you. Neither we nor our representatives have any trading authority with respect to your Manager Select account. Unless you direct otherwise in writing, third party investment advisors are responsible for voting proxies solicited by, or with respect to, issuers held in an account.

You are required to execute a Manager Select client agreement and establish a brokerage account through LPL who provides you with quarterly account statements (provided monthly when activity occurs), confirmations and performance reports. Third party investment advisors seek to obtain the best execution possible given the direction to trade through LPL. In some cases, third party investment advisors, in connection with their duty to seek to achieve best execution, may choose to execute transactions through a broker/dealer other than LPL.

In considering whether or not to restrict the execution of transactions through LPL, LPL evaluated its capacities to execute, clear and settle transactions. When securities transactions are effected through LPL, there are no brokerage commissions charged to the account. If the third party investment advisor chooses to execute a transaction through a broker/dealer other than LPL, the execution price may include a commission or fee imposed by the executing broker/dealer. In evaluating whether to execute a trade through a broker/dealer other than LPL, the third party investment advisor considers the fact that the account is not charged a commission if it is effected through LPL.

You should consider whether or not appointing LPL as the broker/dealer may or may not result in certain costs or disadvantages to you as a result of possibly less favorable executions. In particular, you should understand that your Manager Select account may not be able to participate in block trades affected by a third party investment advisor for its other accounts, which may result in a difference between prices charged to a Manager Select account and the third-party investment advisor's other accounts.

Transactions in fixed income securities may involve mark-up or mark-downs or other charges in addition to the advisory fee. LPL may act as a principal on fixed income trades in Manager Select accounts. In cases where LPL acts as a principal on fixed income trades, LPL may receive additional compensation to



the extent it is able to sell fixed income securities for a price higher than what is paid. This may result in higher costs and lower performance than you would have otherwise received.

LPL may aggregate your transactions with other clients' to improve the quality of execution. When transactions are aggregated, the actual prices applicable to the aggregated transactions are averaged, and your account is deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained.

The minimum investment amount required to participate in Manager Select is \$100,000. However, some third-party investment advisors may have higher account minimum requirements. Account minimums are generally higher on fixed income accounts than equity based accounts. A complete description of the third-party investment advisor's services, fee schedules and account minimums is disclosed in the third party investment advisor's Form ADV Part 2A Appendix which is provided to you at the time a third-party investment advisor is selected.

The maximum annual fee charged through the program is 3% of the total value of assets held in your account(s). Fees are negotiable depending on the market value of the account, asset types, your financial situation and trading activity. The annual fees are divided and paid quarterly in advance through a direct debit in your account. LPL is responsible for calculating and debiting all fees from your account(s). You must provide LPL written authorization to debit advisory fees from your accounts and pay those fees to us. Fees are based on the account's asset value as of the last business day of the prior calendar quarter. Fees for accounts opened at any time other than the beginning of a quarter are prorated based on the number of days remaining in the initial quarter. If you participate in Manager Select, you must execute the Manager Select Client Agreement.

We receive 35% to 80% of the total fee charged to you. Fees are negotiable depending on the market value of the account, asset types, your financial situation and trading activity. We may also receive other compensation for participating in Manager Select such as bonuses, awards, or other things of value offered by LPL. The amount of this compensation may be more or less than if you had participated in our other advisory programs or if you paid separately for investment advice, brokerage and other client services. Therefore, we may have an incentive to recommend Manager Select over other programs.

Clients may also incur certain charges imposed by LPL or third parties other than us in connection with investments made through Manager Select accounts, including among others, the following types of charges: mutual fund management fees and administrative servicing fees, omnibus processing fees, sub-transfer agent fees, networking fees, other transaction charges and service fees, IRA and Qualified Retirement Plan fees, administrative servicing fees for trust accounts, and other charges required by law. LPL and our representatives, in their capacity as LPL registered representatives, may receive a portion of certain of these third party fees.

Clients are advised that we may have a conflict of interest by only offering those third-party investment advisors that have agreed to participate in Manager Select. In addition, we may receive additional compensation from advisory product sponsors. Such compensation may not be tied to the sales of any products. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings or advertising or marketing initiatives.

You are advised that there may be other third-party managed programs that may be suitable to you that may be more or less costly. No guarantees can be made that your financial goals or objectives are

achieved. Further, no guarantees of performance can be offered. Investments involve risk, including the possible loss of principal.

You can terminate a Manager Select account by providing written notice to LPL. Upon termination, you are entitled to a prorated refund of any pre-paid quarterly fees based on the number of days remaining in the quarter after termination. If you close the account within the first six months as a result of withdrawals bringing the account value below the required minimum, both we and LPL reserve the right to retain the pre-paid quarterly fees for the current quarter in order to cover the administrative cost of establishing a Manager Select account. Those fees may include costs to transfer positions into and out of the account, data entry costs to open the account, costs associated with reconciling positions in order to issue quarterly performance reports and the cost of re-registering positions.

A minimum account value of \$5,000,000 is required for Manager Access Select, however, in certain instances, the minimum account size may be lower or higher.

### **Financial Planning & Consulting Services**

Fees charged for our financial planning and consulting services are negotiable based upon the type of client, the services requested, the investment adviser representative providing advice, the complexity of the client's situation, the composition of the client's account, other advisory services provided and the relationship of the client and the investment adviser representative. The following are the fee arrangements available for financial planning and consulting services offered by TVAMP.

#### **Fees for Financial Planning Services**

TVAMP provides financial planning services under an hourly fee arrangement. A fee in the range of \$250 per hour for Investment Advisor Representatives to \$100 per hour for clerical staff is charged by TVAMP for financial planning services provided under this arrangement. TVAMP provides in advance an estimate of the approximate hours to complete the financial planning services. If TVAMP anticipates exceeding the estimated amount of hours required, TVAMP will contact you to receive authorization to provide additional services. Any unpaid hourly fees are due immediately upon completion and delivery of the financial plan.

TVAMP also provides financial planning services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for financial planning services under this arrangement. There is a range in the amount of the fixed fee charged by TVAMP for financial planning services. The minimum fixed fee is generally \$500, and maximum fixed fee is generally no more than \$3,000. The amount of the fixed fee for your engagement is specified in your financial planning agreement with TVAMP. You are required to pay in advance 50% of the fixed fee at the time you execute an agreement with TVAMP; however, at no time will TVAMP require payment of more than \$500 in fees more than six months in advance.

The fees for the financial planning services may be waived by TVAMP at our sole discretion.

To the extent TVAMP provides you with general investment recommendations as part of the financial planning services and you implement such investment recommendations through TVAMP, we may offer in our agreement with you to waive or reduce the fees for financial planning services.

The financial planning services terminate upon delivery of the written financial plan or either you or TVAMP providing the other party with written notice.

You may terminate the financial planning services within five (5) business days of entering into an agreement with TVAMP without penalty or fees due. If you terminate the financial planning services after five (5) business days of entering into an agreement, you will be responsible for immediate payment of any financial planning services performed by TVAMP prior to the receipt by TVAMP of your notice. For financial planning services performed by TVAMP under an hourly arrangement, you will pay TVAMP for any hourly fees incurred at the rates described above. For financial planning services performed by TVAMP under a fixed fee arrangement, you will pay an early termination fee for the hours worked by TVAMP multiplied by the hourly rate of \$250. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by TVAMP to you. If you are not satisfied with the financial plan prepared by TVAMP, we will waive our fee; however, in such a situation, TVAMP retains intellectual property rights over any written financial plan prepared by TVAMP, and the written financial plan must be returned to TVAMP.

### **Fees for Consulting Services**

TVAMP provides consulting services under an hourly fee arrangement. A fee in the range of \$250 per hour for Investment Advisor Representatives to \$100 per hour for clerical staff is charged by TVAMP for consulting services provided under this arrangement. In addition, TVAMP provides in advance an estimate of the approximate hours to complete the consulting services. If TVAMP anticipates exceeding the estimated amount of hours required, TVAMP will contact you to receive authorization to provide additional services. The standard billing dates and events of TVAMP are the following: (1) the first business day of each month; (2) the date or thereafter that TVAMP substantially provides the services described under this Agreement; and (3) the date the engagement is terminated by either Client or TVAMP. Upon presentment of the invoice to Client, TVAMP will deduct the hourly fees due TVAMP against Client's current retainer balance and Client will immediately pay TVAMP any outstanding balance of hourly fees due. Client agrees to notify TVAMP within ten (10) days of receipt of an invoice if Client disputes any billing entry.

TVAMP also provides consulting services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for consulting services under this arrangement. There is a range in the amount of the fixed fee charged by TVAMP for consulting services. The minimum fixed fee for consulting services will be \$250, and maximum fixed fee for consulting services will be generally no more than \$3,000. The amount of the fixed fee for your engagement is specified in your consulting agreement with TVAMP. You are required to pay in advance 50% of the fixed fee at the time you execute an agreement with TVAMP. At no time will TVAMP require payment of more than \$500 in fees more than six months in advance. The fixed fee will be considered earned by TVAMP upon completion of the consultation.

TVAMP offers ongoing advisement services billed at a rate of 1.50% of the assets under advisement. The annual fee will be divided by 4 and charged quarterly in advance based upon the value of your retirement plan account on the last day of the last quarter.

At our discretion, TVAMP may offer to waive the fees for certain consulting services.

To the extent TVAMP provides you with general investment recommendations as part of our consulting services and you implement such investment recommendations through us, TVAMP at our discretion may offer to waive or reduce the fee for certain consulting services.

To the extent you paid TVAMP a fee for a written financial plan, TVAMP at our discretion may offer to waive or reduce the fee for any consulting services provided by TVAMP to you during the first twelve (12) months following the execution of an agreement with us.

The one-time consulting services will terminate upon completion of the consultation or either party providing the other party with written notice. The “as-needed” consulting services will terminate upon either you or TVAMP providing written notice of termination to the other party. The “as-needed” consulting services will terminate upon either you or TVAMP providing written notice of termination to the other party.

You may terminate the consulting services within five (5) business days of entering into an agreement with TVAMP without penalty or fees due. If you terminate the consulting services after five (5) business days of entering into an agreement with TVAMP, you will be responsible for immediate payment of any consulting work performed by TVAMP prior to the receipt by TVAMP of your notice. For consulting services performed by TVAMP under an hourly arrangement, you will pay TVAMP for any hourly fees incurred at the rates described above. For consulting services performed by TVAMP under a fixed fee arrangement, you will pay an early termination fee for the hours worked by TVAMP multiplied by the hourly rate of \$250. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by TVAMP to you.

### **Other Fee Terms for Financial Planning & Consulting Services**

You have the option to pay investment advisory fees by check or automatic deduction from an existing investment account. If you choose to pay your investment advisory fees by automatic deduction from an existing investment account, you are required to provide the qualified custodian with written authorization to do so.

You should notify TVAMP within ten (10) days of receipt of an invoice if you are concerned about or dispute any billing entry.

To the extent TVAMP engages an outside professional (i.e. attorney, independent investment adviser or accountant) while providing financial planning and consulting services to you, TVAMP will be responsible for the payment of the fees for the services of such an outside professional, and you will not be required to reimburse TVAMP for such payments. To the extent that you personally engage such an outside professional, you will be responsible for the payment of the fees for the services of such an outside professional, and TVAMP will not be required to reimburse Client for such payments. Fees for the services of an outside professional (i.e. attorney, independent investment adviser or accountant) will be in addition to and separate from the fees charged by TVAMP, and you will be responsible for the payment of the fees for the services of such an outside professional. In no event will the services of an outside professional be engaged without your express approval.

All fees paid to TVAMP for services are separate and distinct from the commissions, fees and expenses charged by insurance companies associated with any disability insurance, life insurance and annuities subsequently acquired by you. If you sell or liquidate certain existing securities positions to acquire any insurance or annuity, you may also pay incur a commission and/or deferred sales charges in addition to the financial planning and consulting fees paid to TVAMP and any commissions, fees and expenses charged by the insurance company for subsequently acquired insurance and/or annuities.

If you elect to have your investment adviser representative, in his or her separate capacity as an insurance agent, implement the recommendations of TVAMP, your investment adviser representative at his or her discretion may waive or reduce the investment advisory fee charged for these services by the amount of the commissions received by your investment adviser representative as an insurance agent. Any reduction of the investment advisory fee will not exceed 100% of the commission received.

All fees paid to TVAMP for these services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each mutual 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, you may pay an initial or deferred sales charge.

If you retain TVAMP to implement the recommendations provided under this service, TVAMP may recommend load or no-load mutual funds that charge you 12(b)-1 fees. Your investment adviser representative will not receive a portion of these 12(b)-1 fees in his or her separate capacity as a registered representative of a securities broker-dealer. All fees paid to TVAMP for financial planning and consulting services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations.

If you elect to have your investment adviser representative, in his or her separate capacity as a registered representative, implement the recommendations of TVAMP, your investment adviser representative at his or her discretion may waive or reduce the investment advisory fee charged for this service by the amount of the commissions received as a registered representative. Any reduction of the investment advisory fee will not exceed 100% of the commission received.

If you elect to implement the recommendations of TVAMP through our other investment advisory programs, TVAMP may waive or reduce a portion of the investment advisory fees for such investment advisory program. Any reduction will be at the discretion of your investment adviser representative and disclosed to Client prior to contracting for additional investment advisory services.

It should be noted that lower fees for comparable services may be available from other sources.

### **Third-Party Money Managers**

Our representatives are also registered representatives of LPL Financial, a securities broker-dealer. As such TVAMP may utilize Third Party Money managers that have been pre-approved by LPL Financial.

Third-party managers generally have account minimum requirements that will vary among third-party money managers. Account minimums are generally higher on fixed income accounts than equity based accounts. A complete description of the third-party money manager's services, fee schedules and account minimums will be disclosed in the third-party money manager's disclosure brochure which will be provided to you prior to or at the time an agreement for services is executed and the account is established.

The actual fee charged to you will vary depending on the third-party money manager. All fees are calculated and collected by the third-party who will be responsible for delivering our portion of the client fee to us.

Under this program, you may incur additional charges including but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, and IRA and qualified retirement plan fees.

We have a conflict of interest by only offering those outside money managers that have agreed to pay a portion of their advisory fee to us and have met the conditions of our due diligence review. There may be other outside money managers that may be suitable to you that may be more or less costly. No guarantees can be made that your financial goals or objectives will be achieved. Further, no guarantees of performance can be offered.

### **Pension Consulting Services**

For retirement plan sponsors, at our discretion we may charge an annual fee of up to 1.50% or a fixed annual fee of up to \$5,000. This fee is negotiable based upon the size of the plan assets, the actual services requested to be provided, such as whether or not ongoing monitoring is required and the number of employee education meetings requested and the potential for additional deposits.

For individual participants, we charge either a flat rate or a percentage of the participant's account value. If charged as a flat rate, the fee typically ranges from \$1,000 to \$5,000 per year. Higher fixed fees may be charged at the discretion of the advisor and will depend upon the size and complexity of the plan and the services required. The percentage fee ranges from 1.00% to 1.50% per year. Fees are negotiable based upon the actual services requested and the complexity of the participant's situation. The actual fees charged in each pension consulting engagement will be specified in the Client Agreement signed by the client.

For retirement plan sponsors and participants, fees are billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the current billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. Retirement plan sponsors may also elect to pay all or a portion of fees for the individualized services provided by us to the plan participants.

Clients can elect to have the fee deducted from their account or billed directly and due upon receipt of the billing notice. If clients elect to have the fee automatically deducted from an existing account, they are required to provide the custodian with written authorization to deduct the fees from the account and pay them to TVAMP. We will provide the custodian with a fee notification statement.

Services can be terminated by either party by providing written notice to the other and termination is effective 30 days from the date notice is received. During that 30 day period, we will finish up any activities we are working on but will not begin any new services without express instruction from the client. If services are terminated within five business days of signing the client agreement, services are terminated without penalty. Any prepaid but unearned fees are promptly refunded to the client at the effective date of termination.

Pension consulting services are not management services, and TVAMP does not serve as administrator or trustee of the plan itself. Nor does TVAMP act as custodian for any client account or have access to client funds or securities. In addition, we do not implement any transactions in a retirement plan or participant's account if the clients elect to implement any recommendations made by us. Clients are solely responsible for implementing all transactions.

### **Variable Sub-Account Management Services**

Our representatives are also registered representatives of LPL Financial, a securities broker-dealer. As representatives of LPL we are allowed to provide management services to a only select group of variable annuity investments that have been pre-approved by LPL for inclusion in to the management program. Under this program, you will incur an annual investment advisory fee, which is based upon a percentage of the market value of your variable annuity contract under management of TVAMP. Your investment adviser representative has the authority to negotiate the annual fee, and consequently, the annual fee charged by your investment adviser representative may be different than the annual fee negotiated by another investment adviser representative of TVAMP. The exact annual fee charged by TVAMP will be



agreed upon prior to commencing services and stated in the client agreement. The following is the maximum fee schedule that your investment adviser representative may charge you for this service:

For our asset management services, clients will be charged a flat annual fee of up to 2.5% dependent upon the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account, the potential for additional account deposits, and the relationship of the client and the investment adviser representative.

TVAMP reserves the right to modify its fee schedule in the future by providing you with 30 days advance notice of any modification.

The annual fee is paid quarterly in advance and is calculated and due based upon the total value of your variable annuities under management as of March 31, June 30, September 30 and December 31. The quarterly fee payments for the first and last billing periods are pro-rated to reflect the actual days that your variable annuities were subject to management by TVAMP.

The advisory fee is assessed on the contract value of the variable annuity, but is not paid out of the annuity it is billed out of the SWM account. The advisory fee you set on the account will be charged on the total value of the account, including any other investments in the account. Admin fees will be charged based on the total value of the account (including the contract value of the variable annuity). Payment of the fees can be billed through flexible billing or direct billing.

Under this program, the insurance companies issuing your variable annuities will charge management expenses in addition to the investment advisory fee charged by TVAMP. In addition, your variable annuity may be subject to exchange fees and surrender charges. TVAMP does not share in these fees charged by your insurance company. Please refer to the prospectus of your variable annuity for more details about the insurance company's management expenses and any exchange or surrender fees.

In the event that your investment adviser representative sold you the variable annuity in his or her separate capacity as a registered representative of a broker-dealer, your investment adviser representative most likely received commission and/or trail compensation for this transaction. This sales compensation is separate from and in addition to any investment advisory fee charged by TVAMP. If your investment adviser representative received a commission for selling you a variable annuity, TVAMP will not accept your variable annuity for management until it has been at least one year from the date of such sale.

You or TVAMP may terminate this service for any reason by providing the other party with written notice, which will be effective five (5) days after receipt or such later date as specified in the notice.

### **Newsletters**

Newsletters are provided to clients and prospective clients free of charge.

### **Seminars**

No fees are charged for seminars. However, if we are hired by larger groups, such as corporations, we reserve the right to charge fees to cover the expenses incurred by us for presenting the seminars. In this case, all fees and payment provisions will be fully disclosed to you prior to the seminar being presented.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. Item 6 is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

## **Item 7 – Types of Clients**

TVAMP provides advisory services to Individuals and Pension and Profit Sharing plans.

You will be required to execute a written agreement with TVAMP specifying the particular services in order to establish a client arrangement with TVAMP.

### **Minimum Investment Amounts Required**

TVAMP requires a minimum of \$50,000 in order to open an account. To reach this account minimum, clients can aggregate all household accounts. Exceptions may be granted to this minimum based on the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account, the potential for additional account deposits, and the relationship of the client and the investment adviser representative.

The minimum fee generally charged for financial planning services is \$250. The minimum fixed fee generally charged for financial planning services is \$500.

The minimum hourly fee generally charged for consulting services is \$250. The minimum fixed fee generally charged for consulting services is \$500.

Third-party money managers may have minimum account and minimum fee requirements in order to participate in their programs. Each-third party money manager will disclose its minimum account size and fees in its Form ADV Part 2A.

For sub-account management services, TVAMP generally require a variable annuity contract with a minimum account value of \$50,000.

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

### **Methods of Analysis**

TVAMP uses the following methods of analysis in formulating investment advice:

**Charting** - The set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.



Charting is likely the most subjective analysis of all investment methods since it relies on proper interpretation of candlesticks and chart patterns. The risk of reliance upon candlestick data is that the next day's data can always negate the conclusions reached from prior days' candlesticks. Also, reliance upon chart patterns bears the risk of a certain pattern being negated by a larger, more encompassing pattern that has not shown itself yet.

**Cyclical** - Analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

While most economists and investors agree that there are cycles in the economy that need to be respected, the duration of such cycles is generally unknown. An investment decision to buy at the bottom of a business cycle may actually turn out to be a trade that occurs before or after the bottom of the cycle.

If done before the bottom, then downside price action can result prior to any gains. If done after the bottom, then some upside price action may be missed. Similarly, a sell decision meant to occur at the top of a cycle may result in missed opportunity or unrealized losses.

**Fundamental** - A method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

**Technical** - A method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree

of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

There are risks involved in using any analysis method.

To conduct analysis, TVAMP gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the SEC and company press releases.

### **Investment Strategies**

TVAMP uses the following investment strategies when managing client assets and/or providing investment advice:

**Long term purchases.** Investments held at least a year.

**Short term purchases.** Investments sold within a year.

**Trading.** Investments sold within 30 days.

**Short sales.** A short sale is generally the sale of a stock not owned by the investor. Investors who sell short believe the price of the stock will fall. If the price drops, the investor can buy the stock at the lower price and make a profit. If the price of the stock rises and the investor buys it back later at the higher price, the investor will incur a loss. Short sales require a margin account.

**Margin transactions.** When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest from a brokerage firm. For example, an investor may buy \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock from TVAMP.

### **Primarily Recommend One Type of Security**

TVAMP primarily recommends Mutual funds including Exchange Traded Funds.

Different mutual fund categories have different risk characteristics and investors should not compare different categories. For example, a bond fund and a stock fund that both have below average risk still have different risk/return potential (stock funds traditionally have higher risk/return potential). Risks are based on the investments held in the fund. For example, a bond fund faces interest rate risk and income risk and income is affected by the change in interest rates. A sector fund (investing in a single industry) is at risk that its price will decline due to industry developments. The following are some risks to consider when investing in mutual funds:

- **Call Risk:** A bond issuer may redeem high-yield bonds before maturity date due to falling interest rates.
- **Default Risk:** A bond issuer may fail to repay interest and principal.
- **Income Risk:** Dividends in a fixed income fund may decline due to falling interest rates.
- **Geology Risk:** Political events, natural disasters or financial problems may weaken a country or state's economy and cause investments to decline.
- **Industry Risk:** Stocks in a single industry may decline due to developments in that industry.
- **Inflation Risk:** Increases in the cost of living can reduce or eliminate a fund's actual returns when adjusted for inflation.
- **Manager Risk:** A manager may not execute the fund's investment strategy in a timely or effective manner.

### **Risk of Loss**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through our investment management program.

- **Market Risk** – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) market risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- **Company Risk**. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- **Fixed Income Risk**. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Options Risk**. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- **ETF and Mutual Fund Risk** – When investing in a an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses,

including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.

- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.
- Margin Risk - When you purchase securities, you may pay for the securities in full or borrow part of the purchase price from your account custodian or clearing firm. If you intended to borrow funds in connection with your Account, you will be required to open a margin account, which will be carried by the clearing firm. The securities purchased in such an account are the clearing firm's collateral for its loan to you.

If those securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and as a result, the brokerage firm is required to take action in order to maintain the necessary level of equity in your account. The brokerage firm may issue a margin call and/or sell other assets in your account.

It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any margin account that may be established as part of the Asset Management Agreement established between you and TVAMP and held by the account custodian or clearing firm.

These risks include the following:

- You can lose more funds than you deposit in your margin account
- The account custodian or clearing firm can force the sale of securities or other assets in your account
- The account custodian or clearing firm can sell your securities or other assets without contacting you
- You are not entitled to choose which securities or other assets in your margin account may be liquidated or sold to meet a margin call
- The account custodian or clearing firm may move securities held in your cash account to your margin account and pledge the transferred securities
- The account custodian or clearing firm can increase its "house" maintenance margin requirements at any time and are not required to provide you advance written notice
- You are not entitled to an extension of time on a margin call

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

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

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

TVAMP is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle

(including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are an independent registered investment registered advisor and only provide investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment advisor representatives with us.

### **Registered Representative of a Broker-Dealer**

Our representatives are also registered representatives of LPL Financial, a securities broker-dealer. You may work with your investment adviser representative in his or her separate capacity as a registered representative of LPL Financial. When acting in his or her separate capacity as a registered representative, your investment adviser representative may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to you. As such, your investment adviser representative may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. This receipt of commissions creates an incentive to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer. Consequently, the objectivity of the advice rendered to you could be biased.

You are under no obligation to use the services of our representatives in this separate capacity or to use LPL Financial and can select any broker/dealer you wish to implement securities transactions. If you select our representatives to implement securities transactions in their separate capacity as registered representatives, they must use LPL Financial. Prior to effecting any transactions, you are required to enter into a new account agreement with LPL Financial. The commissions charged by LPL Financial may be higher or lower than those charged by other broker/dealers.

### **Third-Party Money Managers**

Our representatives are also registered representatives of LPL Financial, a securities broker-dealer. As such TVAMP may utilize Third Party Money managers that have be pre-approve by LPL Financial. This program is designed to allow us to recommend and select third-party money managers for you. Once you select the third-party money manager to manage all or a portion of your assets, the third-party money manager will pay us a portion of the fees you are charged. Please refer to *Item 5* for full details regarding the programs, fees, conflicts of interest and materials arrangements when select other investment advisers.

### **Insurance Agent**

You may work with your investment adviser representative in his or her separate capacity as an insurance agent. When acting in his or her separate capacity as an insurance agent, the investment adviser representative may sell, for commissions, general disability insurance, life insurance and annuities to you. As such, your investment adviser representative in his or her separate capacity an insurance agent, may suggest that you implement recommendations of TVAMP by purchasing disability

insurance, life insurance or annuities. This receipt of commissions creates an incentive for the representative to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as an insurance agent. Consequently, the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative.

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

### **Code of Ethics Summary**

An investment advisor is considered a fiduciary and has a fiduciary duty to all clients. TVAMP has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. TVAMP's Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons. TVAMP requires its supervised persons to consistently act in your best interest in all advisory activities. TVAMP imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of TVAMP's Code of Ethics. If you wish to review the Code of Ethics in its entirety, you should send a written request and upon receipt of your request, a copy of the Code of Ethics will promptly be provided to you.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

TVAMP or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of TVAMP that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. TVAMP and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider"
- Associated persons are discouraged from frequent personal trading



- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted TVAMP's Chief Compliance Officer.

Any associated person not observing our policies is subject to sanctions up to and including termination.

## **Item 12 – Brokerage Practices**

Clients are under no obligation to act on the financial planning recommendations of TVAMP. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions surround the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with existing systems of the advisor, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back office services, technology and pricing of services offered.

### **Directed Brokerage**

Clients should understand that not all investment advisors require the use of a particular broker/dealer or custodian. Some investment advisors allow their clients to select whichever broker/dealer the client decides. By requiring clients to use a particular broker/dealer, TVAMP may not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker/dealers may cost clients more money than if the client used a different broker/dealer or custodian. However, for compliance and operational efficiencies, TVAMP has decided to require our clients to use broker/dealers and other qualified custodians determined by TVAMP.

### **Broker/Dealer Affiliation (LPL)**

If you wish to have our representatives implement the advice in their separate capacity as registered representatives, LPL is used. Our representatives are registered representatives of LPL and are required to use the services of LPL when acting in this capacity. LPL has a wide range of approved securities products for which it performs due diligence prior to selection. LPL's registered representatives are required to adhere to these products when implementing securities transactions through LPL. Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer.

Because our representatives are also registered representatives of LPL, LPL provides compliance support to them. LPL also provides our representatives, and therefore us, with back-office operational, technology and other administrative support.

If you wish to implement our advice through any of the programs described in this Disclosure Brochure, LPL will be used as the broker/dealer and/or custodian. LPL will be the primary broker/dealer and custodian recommended due to the relationship our representatives have with LPL. We recommend broker/dealers and custodians that we feel provide services in a manner and at a cost that will allow us to meet our duty of best execution. However, we may be limited in the broker/dealer or custodians that we are allowed to use due to our representatives' relationship with LPL. LPL may limit or restrict the broker/dealer or custodial platforms for its registered representatives that are also independently licensed due to its duty to supervise the transactions implemented by these individuals.

While there is no direct linkage between the investment advice given to you and our recommendation of LPL, economic benefits may be provided to us by LPL that are not be provided if you select another broker/dealer or account custodian. These benefits may include:

- Negotiated costs for transaction implementation
- A dedicated trade desk that services LPL participants exclusively
- A dedicated service group and an account services manager dedicated to our accounts
- Access to a real-time order matching system
- Electronic download of trades, balances and position information
- Access, for a fee, to an electronic interface with the account custodian's software
- Duplicate and batched client statements, confirmations and year-end reports

Please all see **Item 5, Fees and Compensation**, for additional information about advisory services and implementing recommendations.

### **Soft Dollar Benefits**

An investment adviser receives soft dollar benefits from a broker-dealer when the adviser receives research or other products and services in exchange for client securities transactions or maintaining an account balance with the broker-dealer.

TVAMP does not have a soft dollar agreement with a broker-dealer or a third-party.

### **Handling Trade Errors**

TVAMP has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of TVAMP to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client is made whole and any loss resulting from the trade error is absorbed by TVAMP if the error is caused by the firm. If the error is caused by the broker-dealer, the broker-dealer is responsible for handling the trade error. If an investment gain results from the correcting trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain. TVAMP may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons).

TVAMP will never benefit or profit from trade errors.

### **Block Trading Policy**



We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when TVAMP believes such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

TVAMP has uses the pro rata allocation method for transaction allocation.

Under this procedure, pro rata trade allocation means an allocation of the trade at issue among applicable advisory clients in amounts that are proportional to the participating advisory client's intended investable assets. TVAMP will calculate the pro rata share of each transaction included in a block order and assigns the appropriate number of shares of each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which TVAMP or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Neither we nor our associated persons receive any additional compensation as a result of block trades.

#### **Agency Cross Transactions**

Our associated persons are prohibited from engaging in agency cross transactions, meaning we cannot act as brokers for both the sale and purchase of a single security between two different clients and cannot receive compensation in the form of an agency cross commission or principal mark-up for the trades.

### **Item 13 – Review of Accounts**

#### **Account Reviews and Reviewers**

Account reviews are made on a regular basis during a calendar year. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by Jeffery B. Foster, Charles J. Sweat and Scott B. Fisher with reviews performed in accordance with your investment goals and objectives.

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request.

Accounts established and maintained with other third-party money managers are reviewed at least quarterly, usually when statements and/or reports are received from the money manager.

Our financial planning services terminate upon the presentation of the written plan. Our financial planning and consulting services do not include monitoring the investments of your account(s), and therefore, there's no ongoing review of your account(s) under such services.

### **Statements and Reports**

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements directly from the qualified custodian. Additionally, TVAMP may provide position or performance reports to you quarterly and upon request.

Whether reports by outside money manager are provided to you will depend upon the outside money manager.

Financial planning clients do not receive any report other than the written plan originally contracted for by you and our firm.

You are encouraged to always compare any reports or statements provided by us, a sub-advisor or third-party money manager against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

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

TVAMP does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in Item 5 of this Disclosure Brochure. TVAMP receives no other forms of compensation in connection with providing investment advice.

Please see Item 5, Fees and Compensation, Item 10, Other Financial Industry Activities and Affiliations and Item 12, Brokerage Practices, for additional discussion concerning other compensation.

We may from time to time receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as client appreciation events, advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients.

### **Item 15 – Custody**

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

TVAMP is deemed to have custody of client funds and securities whenever TVAMP is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody TVAMP will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which TVAMP is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from TVAMP. When clients have questions about their account statements, they should contact TVAMP or the qualified custodian preparing the statement.

When fees are deducted from an account, LPL Financial is responsible for calculating and deducting the fee and remitting a portion of the fee to TVAMP. Your account statement will contain an Itemization of the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

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

When providing asset management services, TVAMP maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities, the amount of securities that can be bought or sold, the broker or dealer to be used, and the commission rates paid for your portfolio without obtaining your consent for each transaction.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your Account. You may also place reasonable limitations on the discretionary power granted to TVAMP so long as the limitations are specifically set forth or included as an attachment to the client agreement.

For sub-account management services, upon receiving written authorization, TVAMP will maintain trading authorization over your accounts. Upon receiving written authorization from you, we may implement

trades on a non-discretionary basis. This means we will be required to contact you prior to implementing changes in your account. However, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold.

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

TVAMP does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. However, you will have the ultimate responsibility for making all proxy-voting decisions.

With respect to assets managed by an outside money manager, we will not vote the proxies associated with these assets. You will need to refer to each outside money manager's disclosure brochure to determine whether the outside money manager will vote proxies on your behalf. You may request a complete copy of third-party money manager's proxy voting policies and procedures as well as information on how your proxies were voted by contacting TVAMP at the address or phone number indicated on Page 1 of this disclosure document.

### **Class Action Lawsuits**

You retain the right under applicable securities laws to initiate individually a lawsuit or join a class-action lawsuit against the issuer of a security that was held, purchased or sold by or for client. TVAMP does not initiate such a legal proceeding on behalf of clients and does not provide legal advice to clients regarding potential causes of action against such a security issuer and whether the client should join a class-action lawsuit. We recommend that you seek legal counsel prior to making a decision regarding whether to participate in such a class-action lawsuit. Upon your specific instruction, we may provide assistance to you regarding an investment history related to the security underlying the individual, or class-action, lawsuit and may provide assistance with the completion of this portion of certain class-action paperwork. At no time should such assistance be deemed as a substitute for consulting with legal counsel.

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

This item is not applicable to this brochure. TVAMP does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, TVAMP has not been the subject of a bankruptcy petition at any time.

## Customer Privacy Policy Notice

The information contained in this section will also be disclosed in TVAMP's Privacy Policy Statement. This statement will be provided to all clients in accordance with the rules and regulations of the *Gramm-Leach-Bliley Act of 1999*.

As a registered investment advisor, Tennessee Valley Asset Management Partners, LLC and its investment advisor representatives will gather and develop personal information regarding our clients. This information will be gathered and developed by us for the following purposes:

1. To determine the client's financial goals and objectives
2. To determine the level of advisory services needed and desired by the client
3. To provide the client with specific recommendations regarding advisory services
4. To provide the client with specific recommendations regarding financial products
5. To provide on-going support and recommendations regarding financial products held in the client's account

Client information that Tennessee Valley Asset Management Partners, LLC will collect may include, but not be limited to the following:

- Information received from clients on financial inventories through consultations with its representatives. This information may include personal and household information such as income, spending habits, investment objectives, financial goals, statements of account and other records concerning the clients' financial conditions and assets, together with information concerning employee benefits and retirement plan interests, wills, trusts, mortgages and tax returns.
- Information developed as part of financial plans, analyses or investment advisory services.
- Information concerning investment advisory account transactions, such as wrap account transactions.
- Information about clients' financial products and services transactions with Tennessee Valley Asset Management Partners, LLC

When a client account is closed, Tennessee Valley Asset Management Partners, LLC will continue to keep all client information confidential in accordance with the principles stated in its privacy policy.

A copy of the Privacy Policy Notice will be delivered to all clients in writing by at least one of the following methods:

- By hand delivering a copy to the client
- Mailing a copy to the client's address on record
- If business is conducted electronically, a notice may be posted on an electronic site as long as the client acknowledges receipt of the Privacy Policy Notice prior to the client obtaining any services or products from Tennessee Valley Asset Management Partners, LLC

A copy of the Privacy Policy Notice will be provided to the client no later than the time a client establishes a relationship with Tennessee Valley Asset Management Partners, LLC, unless this situation would cause a delay in the client obtaining services and the client agrees to accept the notice at a later date. When this situation applies, a copy of the Privacy Policy Statement will be delivered to the client within a reasonable time period following the transaction.

Any time a change is made to the Privacy Policy, the statement to clients will be revised. The revised statement will be given to all affected clients prior to any disclosure of information. In addition,

Tennessee Valley Asset Management Partners, LLC will provide a copy of its Privacy Policy Statement to all current and existing clients at least annually.