

Cover Page - Item 1

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dba
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February 8, 2017

**Firm Form ADV Part 2A, Appendix 1:
Wrap Fee Program Brochure**

Precision Capital Management is an investment adviser registered with the Securities and Exchange Commission (hereinafter "SEC"). An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This Wrap Fee program brochure provides information about the qualifications and business practices of Precision Capital Management. If you have any questions about the contents of this brochure, please contact us at (866) 254-4235. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Precision Capital Management is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes - Item 2

We review and update our Form ADV Part 2A Appendix 1 (our Wrap Fee Program Brochure) at least annually to make sure that it accurately describes PCM and the business we conduct. The purpose of this page is to inform you of any material changes that have occurred since the last version of this Brochure was issued.

Since the issuance of the last version of our Brochure, we made the changes described below. Complete details are included in our full Brochure, which is available upon request.

Advisory Fees

Under our Wrap Fee Program, PCM charges a single asset-based fee that incorporates the charges for its portfolio management services, as well as charges related to custodial services and charges associated with the execution of securities transactions. We also maintain a standard advisory program, which is described in a separate Brochure, under which the fees for our portfolio management services are charged separately from the fees for custodial services and the fees related to the execution of securities transactions.

Prior to the changes addressed below, each individual client account valued at less than \$1 million was charged an annual Wrap Fee of 2.25%. Each account valued at \$1 million or more was charged a reduced rate of 1.75%. We have modified our Wrap Fees in two ways. First, we have modified our fee schedule to provide for lower Wrap Fees based on account values of between \$500,000 and \$1 million, as noted in the following table:

	Portfolio Minimum Value	Portfolio Maximum Value	Wrap Fee (%)
\$ 0.00	to	\$ 500,000.00	2.25%
\$ 500,001.00	to	\$ 1,000,000.00	2.00%
\$ 1,000,001.00	to	\$ 2,500,000.00	1.75%
Accounts over \$2,500,000			Negotiable

Under this new fee schedule, you will be charged a 2.25% Wrap Fee when your account is valued at \$500,000 or less. If the value of your account is greater than \$500,000, you will be charged a Wrap Fee of 2.25% on the first \$500,000 of your account's value and then a reduced fee of 2% on that portion of your account value that exceeds \$500,000. If the value of your account exceeds \$1 million, you will be charged a Wrap Fee of 2.25% on the first \$500,000 of your account's value, 2%

on that portion of your account value that exceeds \$500,000 up to \$1 million, and a reduced fee of 1.75% on that portion of your account value that exceeds \$1 million.

The second change we made to our Wrap Fee is that we now combine the value of all accounts maintained by you and your family members for purposes of determining the Wrap fees you will be charged (a process commonly referred to as "householding"). For example, under our prior fee schedule if you had four accounts that had a combined total of just over \$1 million dollars, each account would be charged a Wrap Fee of 2% because each was individually valued below \$1 million. Under our new fee schedule, each of your accounts would be charged a Wrap Fee of 1.50% (based on the table noted above). In combining accounts for purposes of determining the amount of the Wrap Fee that will be charged, while we will normally include your accounts, the accounts of your spouse, the accounts for the benefit of your minor children, and the accounts of any relatives supported by you, we will add the accounts of any other relatives you identify.

Please note that accounts invested pursuant to our Enhanced Yield strategy are not subject to the reduced fees and "householding" described above. Those accounts are charged an annualized fee of 2.50%.

Other Fees

In order to help us cover technology and administrative costs associated with the advisory services we provide, we will now annually charge each account a flat fee as follows:

Dynamic Allocations Platforms - \$35.00
MP2 Standard Platforms - \$65.00
MP2 Enhanced Platforms - \$100.00
MP2 Leveraged Platforms - \$100.00

This flat fee will be charged in addition to our Wrap fees and will be charged regardless of the value of each account. Please note that we will share a portion of these fees with our affiliate, Coppel Advisory Solutions, LLC dba Fusion Investment Management ("Fusion"). Fusion provides operational and trading support for Precision.

No changes have been made to any other fees that might be charged on your accounts. Those fees are described in our full Brochure.

Full Brochure Available

If you would like to receive a complete copy of our Form ADV Part 2 Brochure, please contact Scott Johnson, Chief Compliance Officer, at (972) 848-3121 or by email at scott.johnson@fusioncm.com.

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Wrap Fee Program - Item 4

Precision Capital Management (hereinafter “PCM”) offers a Wrap Fee program (“Program”) whereby the Firm manages client accounts for a single fee that includes portfolio management services, custodial services and the transaction/commission costs. Under this Program, PCM offers discretionary investment advice designed to assist Clients in obtaining professional asset management for a convenient single “Wrap Fee.”

We are a portfolio manager to and sponsor of this Wrap Fee program. PCM, as portfolio manager, is responsible for the research, investment selection and implementation of investment transactions in your account. PCM participates in the Fidelity Institutional Wealth Services® (“Fidelity”) Program and Fidelity serves as the custodian for our client accounts. Transactions for your account will be executed by Fidelity.

PCM receives a portion of the Wrap Fees that are charged on client accounts for its portfolio management services. Fidelity also receives a portion of the fee for its custodial and trade execution expenses. The terms and conditions under which a client participates in PCM’s Wrap Fee program will be set forth in a written agreement between the client and PCM. The overall cost incurred from participation in our Wrap Fee program may be higher or lower than if the services provided were purchased separately.

We are not affiliated with Fidelity. Our Associated Persons are not registered representatives of Fidelity and do not receive commissions or other compensation from Fidelity.

Wrap accounts are managed to diversify Client’s investments and may include various types of securities such as equity securities, Exchange Traded Funds (ETFs), corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company products and U.S. Government securities. Other types of investments may also be recommended where the firm deems such investments appropriate based on the client’s stated goals and objectives.

Delegation to sub-advisors: *The accounts of certain clients who hire us for discretionary portfolio management services may be managed through our use of one or more sub-advisors who will be responsible for managing all or a portion of the client’s portfolio. All sub-advisors that we recommend to clients must be registered as investment advisers with either the Securities and Exchange Commission or with the appropriate state authority(ies). We will continuously monitor the performance of any accounts managed by the sub-adviser and will assume discretionary authority to hire or fire the sub-adviser where such action is deemed to be in the best interest of the client. The sub-advisor(s) may use one or more of their own model portfolios to manage each client account. If all or a part of your portfolio will be managed by a sub-adviser, you will be required to sign an individual agreement with the sub-advisor. PCM will not share in the fees charged by the sub-advisor.*

The manner in which we manage your investment portfolio is tailored to meet your needs and

investment objectives. If you decide to hire our firm to manage your portfolio, we will meet with you to gather your financial information, determine your goals, and decide how much risk you should take in your investments. The information we gather will help us create a portfolio and implement an asset allocation strategy that will be specific to your goals and objectives.

Our Wrap Fee accounts are managed on a discretionary basis, meaning that once your goals and objectives have been identified, the ongoing supervision and management of the portfolio will be our responsibility. We will not consult with you prior to each investment that is purchased or sold in your account. This authority is granted to us by you in a written advisory agreement that you will sign. With this authority, we will decide which specific securities to buy or sell, the quantity of those transactions, and when those transactions will occur. If you wish, you may limit our discretionary authority by, for example, setting a limit on the type of securities that can be purchased for your account. Any such restrictions must be provided to us in writing.

Our firm mainly uses equity securities, exchange traded funds, no-load or load-waived mutual funds, corporate securities, municipal securities, and U.S. government securities in our portfolio management programs.

Assets Under Management

As of December 31, 2016, PCM managed \$215,552,440 in client assets on a discretionary basis. The Firm had no client assets managed on a non-discretionary basis.

Fees and Compensation - Item 5

Wrap Fees

As noted above, our Wrap Fee covers the cost of portfolio management services, custodial services and the execution of securities transactions. If you decide to engage PCM for portfolio management services under a Wrap Fee arrangement, we will charge an annual fee based upon a percentage of the market value of the assets being managed. Our Wrap Fee is set forth in the following fee schedule:

	Portfolio Minimum Value	Portfolio Maximum Value	Wrap Fee (%)
\$ 0.00	to	\$ 500,000.00	2.25%
\$ 500,001.00	to	\$ 1,000,000.00	2.00%
\$ 1,000,001.00	to	\$ 2,500,000.00	1.75%

Accounts over \$2,500,000	Negotiable
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You will be charged a 2.25% Wrap Fee when your account is valued at \$500,000 or less. If the value of your account is greater than \$500,000, you will be charged a Wrap Fee of 2.25% on the first \$500,000 of your account's value and then a reduced fee of 2% on that portion of your account value that exceeds \$500,000. If the value of your account exceeds \$1 million, you will be charged a Wrap Fee of 2.25% on the first \$500,000 of your account's value, 2% on that portion of your account value that exceeds \$500,000 up to \$1 million, and a reduced fee of 1.75% on that portion of your account value that exceeds \$1 million.

To determine the advisory fees you will be charged, we will combine the value of all accounts maintained by you and your family members (a process commonly referred to as "householding"). For example, if you had four accounts that had a combined total of just over \$1 million dollars, each account will be charged based on the over \$1 million threshold noted in the fee schedule above. In combining accounts for purposes of determining the amount of the advisory fee that will be charged, while we will normally include your accounts, the accounts of your spouse, the accounts for the benefit of your minor children, and the accounts of any relatives supported by you, we will add the accounts of any other relatives you identify.

Our fees are negotiable. As such, the exact fee you will pay may be different from those reflected above. The fees you will pay will be clearly stated in the advisory agreement that you sign with our firm.

Please note that accounts invested pursuant to our Enhanced Yield strategy are not subject to the reduced fees and "householding" described above. Those accounts are charged an annualized fee of 2.50%.

None of our advisory fees are calculated based on the performance of your account.

Our fees are billed monthly, in arrears, based on the average daily value of the assets in your account, and will be drawn directly from your account. You must provide us with written consent in advance to permit us to deduct our advisory fees directly from your account.

When you establish an investment advisory relationship with PCM, your first quarter's advisory fee will be pro-rated based on the number of days your account was under our management. Similarly, when you terminate your advisory relationship with PCM, your last quarter's advisor fee will be prorated based on the number of days your account was under our management.

If insufficient cash is available in your account to pay the Wrap Fee charged to your account, we will sell investments from your account in an amount sufficient to pay the fee.

Fidelity, as the custodian for your account, will send you an account statement on a monthly basis

which provides details of all activity in your account, including the Wrap Fees that were deducted. Please review each statement for accuracy. PCM will have access to copies of your account statements from the custodian.

The Wrap Fee agreement you enter into with PCM will continue to be in effect until either you or PCM terminates that agreement. You may terminate that agreement in accordance with the requirements set forth in the agreement.

Additional Fees and Expenses

In addition to the Wrap Fees we charge, PCM also assesses an annual technology and administrative fee to each individual account. The amount of that fee is determined based on the platform under which the account is managed, as follows:

Dynamic Allocations Platforms - \$35.00
MP2 Standard Platforms - \$ \$65.00
MP2 Enhanced Platforms - \$100.00
MP2 Leveraged Platforms - \$100.00

This flat fee will be charged in addition to our Wrap fees and will be charged regardless of the value of each account. Please note that we will share a portion of these fees with our affiliate, Coppell Advisory Solutions, LLC dba Fusion Investment Management ("Fusion"). Fusion provides operational and trading support for Precision.

All Wrap Fees that you pay are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds that may be purchased for your account. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, early redemption fee and a possible distribution fee. You could invest in a mutual fund directly, without the services of PCM. In that case, you would not receive the services provided by PCM which are designed, among other things, to assist you in determining which mutual fund or funds are most appropriate to your financial circumstances and objectives. Accordingly, you should review both the fees charged by the funds and the fees charged by PCM to fully understand the total amount of fees you will pay.

The manner in which we manage your investments is based on the financial information and other circumstances that you disclose to us. Certain assumptions may be made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is in no way an indication of future returns. As your financial situation, goals, objectives, or needs change, it is important that you notify us promptly of those changes.

All conflicts of interest of which we are aware between you and our firm, and the Associated Persons of our firm, are outlined in this Brochure. If additional conflicts arise in the future, we will notify you in writing or supply you with an updated Brochure.

Performance-Based Fees and Side-By-Side Management - Item 6

As noted above, neither we nor our Associated Persons accept performance-based fees. Performance-based fees are those calculated based on the capital appreciation of a client's investment assets.

Types of Clients - Item 7

We generally offer our Wrap Fee program to individuals, pension and profit sharing plan participants, trusts, estates, charitable organizations, corporations, and other business entities.

PCM requires a minimum of \$20,000 to open and maintain a Wrap Fee account. At our sole discretion we may waive this requirement. This requirement can be met by combining two or more accounts owned by you and/or related family members.

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

The following are different methods of analysis that we may use when providing you with investment advice:

- Fundamental Analysis – fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its future prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.
- Technical Analysis – technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall.

We may use one or more of the following investment strategies in managing your investment account:

- Long Term Purchases – securities held for over a year.
- Short Term Purchases – securities held for less than a year.
- Trading – securities are sold within 30 days.
- Covered Options – covered option is a strategy in which an investor writes an option

contract while at the same time owning an equivalent number of shares of the underlying stock.

- **Margin Transactions** – margin strategies allow an investor to purchase securities on credit and to borrow on securities already in their custodial account. Interest is charged on any borrowed funds for the period of time that the loan is outstanding.
- **Short Sales** – short selling is the selling of a stock that the seller doesn't own. More specifically, a short sale is the sale of a security that isn't owned by the seller, but that is promised to be delivered.

The investment strategies we implement will vary depending on each client's specific financial situation and goals. This brief statement does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Investing in securities involves risk of loss that clients should be prepared to bear. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

General Investment Risk: All investments come with the risk of losing money. Certain investment strategies involve substantial risks, including the risk of a complete loss of principal. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

Loss of Value: There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in securities industry regulations, tax laws, withholding taxes, international, political and economic developments, and government, economic or monetary policies.

Interest Rate Risk: Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.

Credit Risk: Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Foreign Exchange Risk: Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

Risks Associated with Investing in Options: Transactions in options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact, which may work for or against the investor. The placing of certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Disciplinary Information - Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. There is no history of material legal or disciplinary events by our firm or our management persons.

Other Financial Industry Activities and Affiliations - Item 10

Partners Advantage Insurance Services LLC has partial ownership of PCM. Partners Advantage Insurance Services LLC is an independent marketing organization providing distribution and other marketing functions for insurance companies. Agents affiliated or associated with Partners Advantage Insurance Services LLC may also be registered as investment adviser representatives of PCM. Clients to whom the firm offers advisory services are informed that they are under no obligation to utilize the services of these agents for insurance services and may use the insurance brokerage firm and agent of their choice.

PCM is owned and controlled by Coppel Advisory Solutions, LLC, an SEC registered investment

adviser (CRD# 156549). Certain owners and Management Persons of Coppel Advisory Solutions, LLC are also employed by PCM in various capacities.

PCM is affiliated with Varsity Asset Management, LLC, an SEC registered investment adviser (CRD#169295) through common control and ownership. Certain owners and Management Persons of Varsity Asset Management, LLC are also employed by PCM in various capacities.

Additionally, PCM has retained Coppel Advisory Solutions, LLC and Varsity Asset Management, LLC as a third party adviser to manage its clients' portfolios and will share in the compensation received by these entities for managing your account. The compensation arrangement presents a conflict of interest due to a financial incentive to recommend the services of affiliated firms. In order to address this conflict, PCM has adopted a Code of Ethics that obliges all Associated Persons to deal fairly with all clients when making investment decisions, to uphold their fiduciary duty at all times, and to put the client's interest first. Clients are not required to use the services of any third party advisers we recommend.

Code of Ethics - Item 11

Description of Our Code of Ethics

PCM has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes PCM's policies and procedures developed to protect Client's interests in relation to the following topics:

The duty at all times to place the interests of Clients first;

- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics.
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of Clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of PCM's Code of Ethics is available upon request to Scott Johnson, Chief Compliance Officer, at (972) 848-3121.

Personal Trading Practices

At times PCM and/or its Associated Persons may purchase or sell the same securities purchased or sold for client accounts. In accordance with our fiduciary responsibilities to our clients, we will not permit transactions that would be in conflict with the interests of clients. Front running (effecting transactions for the accounts of PCM or its Associated Persons ahead of transactions for client

accounts) is prohibited. Similarly, PCM and its Associated Persons are prohibited from effecting transactions for their accounts which are adverse to transactions for client accounts (for example, buying an investment while selling the same investment from a client's account and vice versa). Should a transaction for the account of PCM or one of its Associated Persons present an apparent conflict, we will ensure that no client is disadvantaged as a result of it.

Brokerage Practices - Item 12

As described above, PCM uses Fidelity as the custodian for its client accounts. The services Fidelity provides include trade execution, clearance and settlement of transactions, and daily research and investment information. As custodian for our client accounts, Fidelity holds all client assets, issues transaction confirmation and monthly account statements, and processes the disbursement of funds.

Research and Other Soft Dollar Benefits

"Soft dollars" is a term used to describe a variety of benefits provided to an investment adviser by a broker-dealer through which the investment adviser executed investment transactions for clients. For example, a soft dollar arrangement would exist when the broker-dealer uses some of the commissions it earns from transactions directed by the investment adviser to pay for independent research provided to the investment adviser. Generally, PCM does not engage in soft dollar arrangements.

Although not considered "soft dollar compensation, PCM may receive benefits from Fidelity for research services to include reports, software, and institutional trading support. The receipt of additional benefits could be a conflict of interest because it may give us an incentive to require that you maintain your account with Fidelity based on our interest in receiving Fidelity's services. We believe, however, that the scope and quality of the services provided by Fidelity (which are offered to all investment advisers that use Fidelity for custody and execution services and not just PCM) is ultimately in the best interests of our clients. To mitigate this conflict, on a periodic basis we conduct a review of the full range and quality of Fidelity's services, including execution quality, commission rates, the value of research provided, its financial strength and its responsiveness to our requests for trade data and other information.

While there may be other broker-dealers whose charges for custodial and transaction execution services are lower than Fidelity's, we believe Fidelity's charges are reasonable considering the overall value of the services it provides to us and to our clients.

Brokerage for Client Referrals

We do not have any arrangements with Fidelity or any other third-party under which we give or receive compensation in any form for the referral of clients.

Directed Brokerage

We do not permit clients to direct the execution of investment transactions (referred to as “directed brokerage”) to any broker-dealer other than Fidelity.

Trade Aggregation

While investment advice is provided to each individual client for his/her accounts, transactions for client accounts may be executed in a block along with transactions for other clients. No advisory account within a block trade will be favored over any other advisory account, and thus, each account will participate in an aggregated order at the average share price and receive the same commission rate. We believe that the aggregation of transactions can reduce the costs of execution but PCM will not aggregate a client's order if in a particular instance PCM believes that aggregation would cause the client's cost of execution to be increased. PCM and/or its Associated Persons may participate in block trades along with trades for clients and their trades will be handled on exactly the same terms as client trades.

Review of Accounts – Item 13

Portfolio Management Account Reviews

PCM monitors the individual investments within its various portfolio models each day the market is open. Overall portfolio performance is reviewed, at a minimum, on a quarterly basis. PCM offers clients an in-person portfolio review meeting on at least a semi-annual basis.

Clients will receive statements directly from their account custodian(s) on at least a quarterly basis. Additionally, PCM may provide clients with quarterly performance reports.

Client portfolio reviews will be performed either by Managing Members Ryan Borer or Anthony Apollaro, or by the representative assigned to service your account.

Client Referrals and Other Compensation - Item 14

Apart from the receipt of additional benefits from Fidelity (disclosed under Item 12 above), we do not receive economic benefits from third-parties in exchange for providing investment advice or other advisory services to our clients.

PCM may organize various due diligence and educational seminars for its existing and prospective Associated Persons and may invite such persons to attend such events free of charge. In some cases, PCM also pays such persons' travel expenses.

We may share a portion of the advisor fees we receive with third-parties (commonly referred to as “solicitors”) who have referred clients to us. All such third-parties are required to enter into written solicitor agreements with us. Each solicitor is required to provide the prospective clients they refer to us with a written disclosure that identifies them as a solicitor and that describes the compensation we will pay them. Because certain states require solicitors to be either registered as an investment adviser or otherwise be affiliated with a registered investment adviser, we will confirm that any applicable registration requirements are satisfied before we enter into a solicitor agreement.

Custody - Item 15

Because we are able to deduct our Wrap Fee directly from client accounts, PCM is technically deemed to have custody of client funds. To protect the assets of our clients, all accounts are maintained with an unaffiliated custodian, Fidelity.

You will receive account statements at least quarterly from Fidelity. The Fidelity account statements are the official record of your account. We urge you to compare your Fidelity account statements against statements we provide to you to confirm that our statements are accurate. While minor variations may occur because of reporting dates, accrual methods of interest and dividends, and other factors, our statements should be in substantial agreement with your Fidelity account statements. If you see a material difference, please notify us immediately.

Investment Discretion - Item 16

As noted above, PCM manages its Wrap Fee program solely on a discretionary basis. Discretionary authority extends to the type and amount of securities to be bought and sold for your account and allows us to purchase and sell investments for your account without the requirement that we obtain your prior authorization relative to each transaction. Discretionary authority does not permit us to withdraw funds from your account (other than advisory fees).

You may limit our discretionary authority if you wish by setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. Please refer to the “Advisory Business” section in this Brochure for more information on our discretionary management services.

Voting Client Securities - Item 17

PCM does not vote proxies. It is the client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

Financial Information - Item 18

PCM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to its clients and has not been the subject of a bankruptcy proceeding. PCM does not require prepayments for its services.

Requirements of State-Registered Advisers - Item 19

This section is not applicable as PCM is SEC registered.

Miscellaneous

Class Action Lawsuits

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. PCM has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. It also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, the firm has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where the firm receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials, to the client. Electronic mail is acceptable where appropriate, and the client has authorized contact in this manner.

Trade Error Correction Procedures

On infrequent occasions, an error may be made in a client account. For example, a security may be erroneously purchased for the account instead of sold. In these situations, the firm generally seeks

to rectify the error by placing the client account in a similar position as it would have been had there been no error. Depending on the circumstances, various corrective steps may be taken, including among others canceling the trade or adjusting an allocation. Any gains or losses resulting from error correction will be placed in PCM's error correction account.

Confidentiality

PCM views protecting its customers' private information as a top priority and, pursuant to the requirements of the Gramm-Leach-Bliley Act, the firm has instituted policies and procedures to ensure that customer information is kept private and secure.

PCM does not disclose any non-public personal information about its clients or former clients to any non-affiliated third parties, except as permitted by law. In the course of servicing a client account, PCM may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers.

PCM restricts internal access to non-public personal information about its clients to those employees who need to know that information in order to provide products or services to the client. PCM maintains physical and procedural safeguards that comply with state and federal standards to guard a client's non-public personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be the firm's policy never to sell information about current or former clients or their accounts to anyone. It is also the firm's policy not to share information unless required to process a transaction, at the request of the client, or as required by law.

A copy of the firm's privacy policy notice will be provided to each client prior to, or contemporaneously with, the execution of the Advisory Agreement. Thereafter, the firm will deliver a copy of the current privacy policy notice to its clients on an annual basis. If you have any questions on this policy, please contact Scott Johnson, Chief Compliance Officer, at (972) 848-3121.