

The IFAM Wrap Program

Sponsored by

IFAM CAPITAL

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This Wrap Fee Program Brochure (Form ADV Part 2A Appendix 1) provides information about the qualifications and business practices of IFAM Capital, dba of Institutional and Family Asset Management, LLC (hereinafter “we”, “IFAM” or the “Firm”). If you have any questions about the contents of this brochure, please contact IFAM at 970-530-5021. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC’s website at www.adviserinfo.sec.gov. The Firm is a federally registered investment adviser. Registration does not imply a certain level of skill or training.

Item 2. Material Changes

Since our previous annual updating amendment of March 21, 2016, material changes include:

- 1) As of August of 2016, Timothy B. Kneen is no longer an executive officer of the Firm.
- 2) As of April of 2017, investment decisions for the options overlay component of the IFAM Strategic Income Portfolio Strategy and the IFAM Dynamic Income Portfolio Strategy will be sub-managed by Cambria Investment Management, L.P. ("Cambria"), a firm whose Strategy Portfolio Manager was previously employed by IFAM.
- 3) In July 2017, investment vehicles affiliated with Stone Point Capital LLC ("Stone Point") and Kohlberg Kravis Roberts & Co. L.P. ("KKR") each made an investment in Focus Financial Partners, LLC ("Focus"). This transaction resulted in certain funds managed by Stone Point investment vehicles collectively becoming a principal owner of Focus and the KKR investment vehicles collectively becoming a minority owner of Focus. Because IFAM is an indirect, wholly-owned subsidiary of Focus, the Stone Point and KKR investment vehicles are indirect owners of IFAM. Item 9 has been revised to reflect the new ownership structure.

Item 3. Table of Contents

Item 1. Cover Page.....	1
Item 2. Material Changes	2
Item 3. Table of Contents	3
Item 4. Services, Fees and Compensation.....	4
Item 5. Account Requirements and Types of Clients	8
Item 6. Portfolio Manager Selection and Evaluation	8
Item 7. Client Information Provided to Portfolio Managers.....	11
Item 8. Client Contact with Portfolio Managers	11
Item 9. Additional Information	12

Item 4. Services, Fees and Compensation

The IFAM Wrap Program ("Program") is an investment advisory program sponsored by IFAM, the successor firm of IFM Capital Advisors, LLC and a federally registered investment adviser since October 28, 2014. Clayton E. Hartman is the executive officer of the Firm. IFAM is a wholly-owned subsidiary of Focus Operating, LLC, which is a wholly-owned subsidiary of Focus Financial Partners, LLC.

As of December 31, 2016, IFAM had approximately \$1,069,793,689 in regulatory assets under management; approximately \$895,577,209 was managed on a discretionary basis and approximately \$174,216,480 was managed on a non-discretionary basis for approximately 916 clients.

While this brochure generally describes the business of IFAM, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on IFAM's behalf and is subject to the Firm's supervision or control.

Program Description

We seek to evaluate a client's current financial situation and then to design and implement an investment plan aimed at achieving a client's financial objectives. We offer clients the opportunity to invest in the following advisory programs:

1. Growth Program;
2. Low-Volatility Income Program;
3. Moderate/Balanced Program;
4. Institutional Income Program; and
5. Income Program

Our Advisory Role in Investment Program Selection and Portfolio Construction

At the outset of the client relationship, we obtain information about clients' individual investment objectives, liquidity and cash flow needs, time horizon and risk tolerance, as well as any other factors pertinent to their specific financial situation. After an analysis of the relevant information, we assist clients in developing an appropriate strategy for management of their assets and in making a suitable initial program selection.

Based on the results of the information provided by the client, we recommend an appropriate program. The client enters into a written agreement setting forth the relevant terms and conditions of the advisory relationship. ("Client Agreement"). The client also opens a new securities brokerage account and completes a new account agreement with Fidelity or TD Ameritrade Institutional Wealth Services ("Fidelity" or "TD Ameritrade") or another custodian IFAM approves under the Program (collectively "Financial Institutions").

Our investment programs use asset allocation models that we have designed for a range of investment objectives and risk tolerances. The models primarily allocate assets among various ETF's, mutual funds and investment managers ("Managers") in accordance with clients' individual investment objectives. Where appropriate, we may also provide advice about legacy positions and other investments held in client portfolios.

Program Summaries

1. Growth Program. This program is designed for growth through capital appreciation of assets, and has similar risk/return characteristics as the large and mid-cap equity markets. This program may be suitable for investors who have long-term investment horizons and risk tolerance for the volatility within the portfolio. Client portfolios typically are invested in a diverse number of asset classes through ETF's, mutual funds and third-party Managers.
2. Low-Volatility Income Program. This program is designed to serve as an alternative to cash and U.S. Treasury investments and to maximize the principal protection of the portfolio, with low risk, low return characteristics. This program may be suitable for clients who will be using their portfolio for spending in the next 6-12 months but do not want to have it sit in cash. Client portfolios typically are invested in a diverse number of asset classes through ETFs, mutual funds and third-party Managers.
3. Moderate/Balanced Program. This program is designed for investors who do not need income as their primary investment objective but desire lower risk than that of the equity markets and our growth portfolio. It is intended to have slightly higher risk and return characteristics than the Income Portfolio and slightly lower risk and return characteristics than the Growth Portfolio. Client portfolios typically are invested in a diverse number of asset classes through ETF's, mutual funds, third-party Managers and IFAM.
4. Institutional Income Program. This program is designed for investors who are looking for high levels of dividend and interest payments, with risk/return characteristics that are moderate but less volatile than the equity markets. It may be suitable for investors who are looking for retirement income or replacement income from their investments. Client portfolios typically are invested in a diverse number of assets through mutual funds and separately managed accounts managed by third-party Managers and by IFAM.
5. Income Program. This program is designed for investors who are looking for high levels of dividend and interest payments, with risk/return characteristics that are moderate but less volatile than the equity markets. It may be suitable for investors who are looking for retirement income or replacement income from their investments. Client portfolios (which may not meet the minimum account size requirements for the Institutional Income Portfolio) typically are invested in a diverse number of assets through mutual funds managed by third-party Managers and by IFAM.

IFAM continuously seeks to ensure that client portfolios are managed in a manner consistent with their specific investment profiles. IFAM consults with clients on an initial and ongoing basis to determine their risk tolerance, time horizon, liquidity constraints and other qualitative factors relevant to the management of their portfolios. Clients are advised to promptly notify IFAM if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if IFAM determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

Our Role in the Management of Certain Strategies

For clients who participate in our programs, in addition to the potential use of mutual funds and ETF's, we recommend Managers who make individual investment decisions for a portion of client portfolios. Clients pay Strategy fees for this service that are in addition to the Program fee. We may recommend third-party Managers, and in some cases, we may recommend IFAM. Clients who participate in the Income or Moderate/Balanced programs may have a portion of their portfolio allocated to one or more of these IFAM Strategies:

- A. IFAM Strategic Income Portfolio Strategy. This Strategy invests in 50 equally weighted Large Cap Dividend Growth stocks. We implement an equity collar that allows for 10% annual upside and limits downside risk with a 10% floor. We then seek to produce additional income by writing options (selling calls) against the 50 equity stocks. Investment decisions for the options overlay component of this strategy are made by a third party sub-manager, Cambria, a firm whose Strategy Portfolio Manager was previously employed by IFAM.
- B. IFAM Dynamic Income Portfolio Strategy. This Strategy invests in commodity and global equity market index funds. We then sell calls against those index funds to produce income within the strategy. Investment decisions for the options overlay component of this strategy are made by a third party sub-manager, Cambria, a firm whose Strategy Portfolio Manager was previously employed by IFAM.

Fees

Wealth Management Program Fees

The Program fee covers the client's Program selection, portfolio construction, securities brokerage commissions and transactional costs attributed to the management of clients' portfolios. The Program fee is based upon an agreed upon fixed rate or a percentage of assets under management. The Program fee, which ranges up to \$350,000 for fixed fees, and 300 basis points (3.00%) for asset-based fees, annually, is largely determined by the scope of complexity of a particular engagement. Fees are negotiable and may vary based on a number of factors determined by IFAM, in its sole discretion. These factors may include anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, assets in related accounts, account composition, pre-existing client relationship, account retention and *pro bono* activities.

The Program fee is prorated and billed quarterly in advance, except for clients subject to Title 1 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA plans"), which are billed quarterly in arrears. The Program fee is calculated using the market value of the program assets on the last day of the previous billing period. If assets are deposited into or withdrawn from an account after the inception of a billing cycle, the fee payable with respect to such assets is generally adjusted or prorated to account for the interim change in portfolio value. For the initial term of the program, the fee is calculated on a pro rata basis. In the event the Agreement is terminated, the fee for the final month is prorated through the effective date of the termination and any unearned fee is refunded to the client.

Brokerage Fees

As noted above, securities brokerage commissions and transactional costs attributed to the management of its clients' portfolios are included in the Program fee. Services provided through the Program may cost clients more or less than purchasing these services separately. The number of transactions made in clients' accounts, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. Fees paid for the Program may be higher or lower than fees charged by other sponsors of comparable investment advisory programs.

Investment Management Strategy Fees

As explained above, clients whose accounts use managers to make individual investment management decisions for a portion of the program assets in their portfolio pay a Strategy fee that is in addition to the Program fee. Strategy fees for third-party managers range from .20% to 1.5%. IFAM's Strategy fees are as follows:

IFAM Strategic Income Portfolio*	Less than \$5 million	1.00%
	\$5 million - \$15 million	0.90%
	\$15 million - \$30 million	0.80%
	\$30 million - \$50 million	0.75%
	\$50 million +	0.70%
IFAM Dynamic Income Portfolio		0.75%

*Clients who were invested in this Strategy through a third-party manager and transferred to this portfolio pay lower fees than stated on this schedule.

Additional Fees and Expenses

Clients may incur certain charges imposed by third parties in addition to the Program fee and Strategy Fee. These additional charges may include fees and expenses imposed directly by a mutual fund or exchange-traded fund ("ETF") in the account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. For outside accounts on which IFAM advises, but does not necessarily manage or have the authority to effect transactions, clients may incur other third-party charges, such as securities brokerage, transaction cost and custodial fees.

Direct Fee Debit

The Firm's Agreement and the separate agreement with any Financial Institutions generally authorize IFAM to debit its clients' accounts, via the qualified custodian, for the amount of the Program fee and to directly remit that fee to IFAM. Any Financial Institutions recommended by IFAM have agreed to send statements to clients not less than quarterly indicating all amounts disbursed from the account, including the amount of Program fees paid directly to IFAM.

Account Additions and Withdrawals

Clients may add or withdraw funds from their accounts at any time, subject to IFAM's right to terminate a client relationship. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account.

Clients may withdraw account assets on notice to IFAM, subject to the usual and customary securities settlement procedures. However, IFAM designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. IFAM may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

Item 5. Account Requirements and Types of Clients

IFAM does not impose a stated minimum fee or minimum portfolio value for participation in the Program. Services through the Program are generally offered to individuals, corporations and other business entities, pension and profit sharing plans, charitable organizations, and trusts and estates.

Item 6. Portfolio Manager Selection and Evaluation

Selection of Independent Managers

IFAM evaluates various information about the Independent Managers in which it selects to manage client assets under the Program. The Firm generally reviews a variety of different resources, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves, and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposures. IFAM also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other related factors.

IFAM generally monitors the performance of those accounts being managed by Independent Managers by reviewing the account statements produced by the Financial Institutions, as well as other performance information furnished by the Independent Managers and/or other third-party providers. The Firm does not verify the accuracy of any such performance information and does not ensure its compliance with presentation standards. Clients are advised that any performance information they receive from the Independent Managers may not be calculated on a uniform and consistent basis. Clients should compare all supplemental materials with the account statements they receive from their respective custodians.

The terms and conditions under which the client engages an Independent Manager are set forth in a separate written agreement between IFAM or the client and the designated Independent Manager. In addition to this brochure, the client also receives the written disclosure brochure of the designated Independent Managers engaged to manage their assets.

As described above, IFAM is an asset manager for certain Strategies that are components of two of our programs. We face a potential conflict of interest in recommending IFAM-managed strategies to clients, because we receive both Program fees and strategy fees for those recommendations. We work to mitigate that conflict through clear disclosure to clients and regular evaluation of our performance. On a periodic basis, we evaluate the performance and cost to clients of investing in our strategies compared to any similar strategies offered by third-party managers. Additionally, we work to ensure that the total fees paid by clients are reasonable as compared to clients who pay asset management fees to third-party investment managers.

Side-By-Side Management

IFAM does not manage any accounts for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

Methods of Analysis and Investment Strategies

IFAM utilizes a combination of fundamental, technical and cyclical methods of analysis when implementing the Firm's asset allocation strategy.

Fundamental analysis involves an evaluation of an issuer's fundamental financial condition and competitive position. IFAM generally analyzes the financial condition, capabilities of management, earnings capacity, new products and services, as well as the company's markets and position amongst its industry competitors in order to determine the recommendations made to clients. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the examination of past market data rather than specific company information in determining the recommendations made to clients. Technical analysis may involve the use of mathematical based indicators and charts, such as moving averages and price correlations, to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. A substantial risk in relying upon technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that IFAM will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the assessment of market conditions at a macro (entire market or economy) or micro (company specific) level, rather than focusing on the overall fundamental analysis of the health of the particular company that IFAM is recommending. The risks with cyclical analysis are similar to those of technical analysis.

Risks of Loss

Market Risks

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of IFAM's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of securities and other asset classes. There can be no assurance that IFAM will be able to predict those price movements accurately or capitalize on any such assumptions.

Mutual Funds and ETFs

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their *pro rata* NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Use of Independent Managers

As stated above, IFAM may select certain Independent Managers to manage a portion of its clients' assets. In these situations, IFAM continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, IFAM generally may not have the ability to supervise the Independent Managers on a day-to-day basis.

Use of Private Collective Investment Vehicles

IFAM recommends that certain clients invest in or have portfolio exposure to privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities, including the risk of illiquidity. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

Risks Associated with Trading Options

Certain strategies where IFAM serves as the Manager center on the trading of options. The purchaser of an option, who has the right to buy or sell a security or other instrument at the agreed-upon "strike" price, risks the loss of premium payments required to purchase the option. The seller of an option, who has the obligation to deliver to the purchaser a security or other instrument at the agreed-upon "strike" price, under certain circumstances risks incurring substantial and immediate losses. Specifically, if the sellers' options are "uncovered" (meaning the seller does not own the underlying security), the seller could suffer huge losses by being required to acquire at market prices securities that are trading at prices vastly different than the agreed

upon “strike” price, in order to deliver them to the purchaser. Moreover, sales of options are subject to the costs and risks of trading on margin.

Index or Index Options

The value of an index or index option fluctuates with changes in the market values of the assets included in the index. Because the value of an index or index option depends upon movements in the level of the index rather than the price of a particular asset, whether the position will realize appreciation or depreciation from the purchase or writing of options on indices depends upon movements in the level of instrument prices in the assets generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular assets.

Hedging Transactions

Options may be used for risk management purposes. However, we may be unable to anticipate the occurrence of a particular risk and, therefore, may be unable to attempt to hedge against it. The use of hedging transactions may result in a poorer overall performance than if we had not engaged in any such transactions. Moreover, the portfolio will always be exposed to certain risks that cannot be hedged.

Item 7. Client Information Provided to Portfolio Managers

Clients participating in the Program generally grant IFAM the authority to discuss certain non-public information with the Independent Managers engaged to manage their accounts. Depending upon the specific arrangement, the Firm may be authorized to disclose various personal information including, without limitation: names, phone numbers, addresses, social security numbers, tax identification numbers and account numbers. IFAM may also share certain information related to its clients' financial positions and investment objectives in an effort to ensure that the Independent Managers' investment decisions remain aligned with its clients' best interests. This information is communicated on an initial and ongoing basis, or as otherwise necessary to the management of its clients' portfolios.

Item 8. Client Contact with Portfolio Managers

There are no restrictions on clients' ability to correspond with IFAM's portfolio managers. Clients can generally contact any Independent Managers managing their assets through IFAM by providing the Firm with written request and identification of the questions or issues to be discussed with the Independent Managers. After receiving the client's written request, IFAM, at its sole discretion, may contact the Independent Managers for the client or arrange for the Independent Managers and the client to communicate directly.

Item 9. Additional Information

Disciplinary Information

IFAM has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management.

Other Financial Industry Activities and Affiliations

FOCUS OPERATING, LLC and FOCUS FINANCIAL PARTNERS, LLC

The Registrant is part of the Focus Financial Partners, LLC ("Focus") partnership. As such, IFAM is a wholly-owned subsidiary of Focus Operating, LLC ("Focus Operating"), which is a wholly-owned subsidiary of Focus. Focus also owns other registered investment advisers, broker-dealers, pension consultants, insurance firms, and other financial service firms (the "Focus Partners"), most of which provide wealth management, benefit consulting and investment consulting services to individuals, families, employers, and institutions. Some Focus Partners also manage or advise limited partnerships, private funds, or investment companies as disclosed on their respective Form ADVs.

In July 2017, investment vehicles affiliated with Stone Point Capital LLC ("Stone Point") and Kohlberg Kravis Roberts & Co. L.P. ("KKR") each made an investment in Focus Financial Partners, LLC ("Focus"). This transaction resulted in certain funds managed by Stone Point investment vehicles collectively becoming a principal owner of Focus and the KKR investment vehicles collectively becoming a minority owner of Focus. Because IFAM is an indirect, wholly-owned subsidiary of Focus, the Stone Point and KKR investment vehicles are indirect owners of IFAM. None of KKR, Stone Point, or any of their affiliates participates in the management or investment recommendations of our business."

Registered Representatives of a Broker-Dealer

Certain of the Firm's Supervised Persons, in their individual capacities, are registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS") and may provide clients with securities brokerage services under a separate commission-based arrangement. A conflict of interest exists to the extent that IFAM recommends the purchase of a security and its Supervised Person receives a portion of the commissions paid to PKS. The Firm seeks to ensure that all recommendations are made in the best interests of clients regardless of any additional compensation earned. For accounts covered by ERISA (and such others that IFAM, in its sole discretion, deems appropriate), the Firm provides investment advisory services on a fee offset basis. In this scenario, IFAM may offset its fees by an amount equal to the aggregate commissions and 12b-1 fees earned by the Firm's Supervised Persons in their capacities as registered representatives of PKS.

Licensed Insurance Agents

Certain of IFAM's Supervised Persons, in their individual capacities, are licensed insurance agents and may affect the purchase of certain insurance products on a fully-disclosed commission basis. A conflict of interest exists to the extent that the Firm recommends the purchase of insurance products where its Supervised Person receives insurance commissions or other additional compensation. The Firm seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

Code of Ethics

IFAM has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. The Firm's Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of the Firm's personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (e.g., initial public offerings, limited offerings). However, the Firm's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares of a registered unit investment trust, exchange-traded fund or open end or closed-end investment management company; (iv) shares of equity Securities of a company for which the market capitalization is at least \$2 billion.

Clients and prospective clients may contact IFAM to request a copy of its Code of Ethics.

Account Reviews

IFAM's Investment Adviser Representatives attempt to review all accounts quarterly, but will do so no less than annually. Those reviews address the Firm's previous services and/or recommendations and the impact resulting from any changes in the client's financial situation and/or investment objectives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with IFAM and to keep the Firm informed of any changes thereto.

Account Statements and General Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients

with accounts in the Program that hold assets under management in excess of \$100,000 may also receive reports from IFAM and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare any supplemental reports they receive from IFAM or an outside service provider with the account statements they receive from the Financial Institutions.

Client Referrals

IFAM has arrangements in place with certain third parties whereby the firm provides compensation for client referrals. If a client is introduced to IFAM by a solicitor, IFAM may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. Any such referral fee is paid solely from IFAM's Wealth Management Program Fee, and does not result in any additional charge to the client. If the client is introduced to IFAM by a solicitor, the solicitor provides the client with a copy of IFAM's written disclosure brochure which meets the requirements of Rule 204-3 of the Advisers Act and a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation.

Other Compensation

IFAM's parent company is Focus Financial Partners, LLC ("Focus"). From time to time, Focus holds partnership meetings and other industry and best-practices conferences, which typically include IFAM, other Focus firms and external attendees. These meetings are first and foremost intended to provide training or education to personnel of Focus firms, including IFAM. However, the meetings do provide sponsorship opportunities for asset managers, asset custodians, vendors and other third party service providers. Sponsorship fees allow these companies to advertise their products and services to Focus firms, including IFAM. Although the participation of Focus firm personnel in these meetings is not preconditioned on the achievement of a sales target for any conference sponsor, this practice could nonetheless be deemed a conflict as the marketing and education activities conducted, and the access granted, at such meetings and conferences could cause IFAM to focus on those conference sponsors in the course of its duties. Focus attempts to mitigate any such conflict by allocating the sponsorship fees only to defraying the cost of the meeting or future meetings and not as revenue for itself or any affiliate, including IFAM. Conference sponsorship fees are not dependent on assets placed with any specific provider or revenue generated by such asset placement. The following entities have provided conference sponsorship to Focus in the last year:

- Fidelity Brokerage Services
- J.P. Morgan Asset Management
- Charles G. Schwab & Co.

Declination of Proxy Voting Authority

Clients have the option of choosing to delegate proxy voting authority to IFAM, whereby we avoid potential conflicts of interest in proxy voting by relying on the recommendations of an independent proxy advisory service. Clients who would like to know how their proxies were voted may contact us.

Receipt of Economic Benefit

IFAM has arrangements in place whereby the Firm receives an economic benefit from a third-party, such as Fidelity, in connection with the advice it provides to clients participating in the Program. Fidelity may provide the Firm with computer software and related systems support, which allow IFAM to better monitor client accounts maintained at Fidelity. IFAM may receive the software and related support without cost because IFAM renders investment management services to clients that maintain assets at Fidelity. The software and related systems support may benefit IFAM, but not its clients directly. In fulfilling its duties to its clients, IFAM endeavors at all times to put the interests of its clients first. Clients should be aware, however, that IFAM's receipt of economic benefits from a custodian creates a conflict of interest since these benefits may influence IFAM's choice of one custodian over another that does not furnish similar software, systems support, or services.

Specifically, IFAM may receive the following benefits from Fidelity:

- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to an institutional trading desk;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- Access to an electronic communication network for client order entry and account information.

Financial Information

IFAM is not required to disclose any financial information pursuant to this Item due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.