

Joseph Gunnar & Co., LLC

Joseph Gunnar Wrap Fee Program

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

This brochure provides information about the qualifications and business practices of Joseph Gunnar & Co., LLC. If you have any questions about the contents of this brochure, contact us at 212-440-9645. 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 Joseph Gunnar & Co., LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Joseph Gunnar & Co., LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since our last annual updating amendment dated March 3, 2014 we have the following material changes to report:

We have re-organized our affiliations which necessitated a change in registration. Please see disclosures under *Other Financial Industry Activities and Affiliations*. As a result of this reorganization, we are applying for registration with the State of New York and will terminate our SEC registration when the New York registration is effective.

We have also amended our advisory services. Going forward, we offer investment advisory services solely through a wrap fee program.

Item 3 Table Of Contents

Item 1 Cover Page	Page 1
Item 2 Summary of Material Changes	Page 2
Item 3 Table Of Contents	Page 3
Item 4 Services, Fees, and Compensation	Page 4
Item 5 Account Requirements and Types of Clients	Page 8
Item 6 Portfolio Manager Selection and Evaluation	Page 8
Item 7 Client Information Provided to Portfolio Managers	Page 11
Item 8 Client Contact with Portfolio Managers	Page 11
Item 9 Additional Information	Page 11
Item 10 Requirements for State-Registered Advisers	Page 15

Item 4 Services, Fees, and Compensation

Joseph Gunnar & Co., LLC is a registered investment adviser based in New York, New York. We are organized as a limited liability company under the laws of the State of New York. We have been providing investment advisory services since 1995. Joseph Gunnar Holding Co., LLC is our principal owner.

As used in this brochure, the words "we", "our" and "us" refer to Joseph Gunnar & Co., LLC and the words "you", "your" and "client" refer to you as a client or prospective client of our firm. Also, you may see the term Associated Person in throughout this brochure. Our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

We offer portfolio management services through a wrap-fee program ("Program") as described in this wrap fee program brochure to prospective and existing clients. We are the sponsor and investment adviser for the Program. A wrap-fee program is a type of investment program that provides clients with asset management and brokerage services for one all-inclusive fee. If you participate in our wrap fee program, you will pay our firm a single fee, which includes money management fees, certain transaction costs, and custodial and administrative costs. You are not charged separate fees for the respective components of the total services. We receive a portion of the wrap fee for our services. The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the Program.

Prior to becoming a client under the Program, you will be required to enter into a separate written agreement with us that sets forth the terms and conditions of the engagement and describes the scope of the services to be provided, and the fees to be paid.

Client Investment Process

We provide discretionary and non-discretionary portfolio management services in accordance with your individual investment objectives. If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Subject to a grant of discretionary authorization, we have the authority and responsibility to formulate investment strategies on your behalf. This authorization includes deciding which securities to buy and sell, when to buy and sell, and in what amounts, in accordance with your investment program, without obtaining your prior consent or approval for each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and/or through trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.

If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Assets for program accounts are held at Fidelity Investments ("Fidelity") through its clearing firm National Financial Services LLC as custodian. Fidelity also acts as executing broker/dealer for transactions placed in Program accounts, and provides other administrative services as described throughout this Brochure. To compare the cost of the wrap fee program with non-wrap fee portfolio management services, you should consider the frequency of trading activity associated with our investment strategies and the brokerage commissions charged by Fidelity and the advisory fees charged by investment advisers.

Changes in Your Financial Circumstances

In providing the contracted services, we are not required to verify any information we receive from you or from your other professionals (e.g. attorney, accountant, etc.) and we are expressly authorized to rely on the information you provide. Furthermore, unless you indicate to the contrary, we shall assume that there are no restrictions on our services, other than to manage your account in accordance with your designated investment objectives. It is responsibility to promptly notify us if there are ever any changes in your financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

The Program Fee

We charge an annual "wrap-fee" for participation in the Program depending upon the market value of your assets under our management. You are not charged separate fees for the different components of the services provided by the Program. Our firm pays all trade expenses of trades placed on your behalf. Our Program fee includes the fee we pay to any portfolio manager for their management of your account and Fidelity's transaction or execution costs. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion. In special circumstances, and in our sole discretion, we may negotiate a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention, etc.).

On an annualized basis, our Program fees are as follows:

<u>Assets Under Management</u>	<u>Maximum Annual Fee as % of Portfolio</u>
First \$500,000	2.75%
Next \$500,000	2.25%
Next \$1,000,000	1.75%
Next \$3,000,000	1.00%
Over \$5,000,000	1.00%

As a client, you should be aware that the wrap fee charged by our firm may be higher (or lower) than those charged by others in the industry, and that it may be possible to obtain the same or similar services from other firms at lower (or higher) rates. A client may be able to obtain some or all of the types of services available through our firm's wrap fee program on an individual basis through other firms and, depending on the circumstances, the aggregate of any separately paid fees may be lower or higher than the annual fees shown above.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

Our annual portfolio management fee is billed and payable quarterly either in advance or in arrears based on the value of your account on the last day of the previous quarter. If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

You may withdraw account assets on notice to our firm, and subject to the usual and customary securities settlement procedures. However, we design our portfolios as long-term investments and asset withdrawals may impair the achievement of your specific investment objectives.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- We send you an invoice showing the amount of the fee, the value of the assets on which the fee is based, and the specific manner in which the fee was calculated.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm.

Upon receiving an invoice and/or billing statement from our firm, we encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information, please call our main office number located on the cover page of this brochure.

Termination of Advisory Relationship

You may terminate the wrap fee program agreement upon 30 days' written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the wrap fee program agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Upon termination of accounts held at Fidelity, they will deliver securities and funds held in the account per your instructions unless you request that the account be liquidated. After the wrap fee program agreement has been terminated, transactions are processed at the prevailing brokerage rates/fees. You become responsible for monitoring your own assets and our firm has no further obligation to act upon or to provide advice with respect to those assets.

Wrap Fee Program Disclosures

- The benefits under a wrap fee program depend, in part, upon the size of the account, the management fee charged, and the number of transactions likely to be generated in the account. For example, a wrap fee program may not be suitable for accounts with little trading activity. In order to evaluate whether a wrap fee program is suitable for you, you should compare the Program Fee and any other costs of the Program with the amounts that would be charged by other advisers, broker-dealers, and custodians, for advisory fees, brokerage and other execution costs, and custodial services comparable to those provided under the Program.
- In considering the investment programs described in this brochure, you should be aware that participating in a wrap fee program may cost more or less than the cost of purchasing advisory, brokerage, and custodial services separately from other advisers or broker-dealers.
- Our firm and Associated Persons receive compensation as a result of your participation in the Program. This compensation may be more than the amount our firm or the Associated Persons would receive if you paid separately for investment advice, brokerage, and other services. Accordingly, a conflict of interest exists because our firm and our Associated Persons have a financial incentive to recommend the Program.
- Similar advisory services may be available from other registered investment advisers for lower fees.

Additional Fees And Expenses

The Program Fee includes the costs of brokerage commissions for transactions executed through the Qualified Custodian (or a broker-dealer designated by the Qualified Custodian), and charges relating to the settlement, clearance, or custody of securities in the Account. The Program Fee does not include mark-ups and mark-downs, dealer spreads or other costs associated with the purchase or sale of securities, interest, taxes, or other costs, such as national securities exchange fees, charges for transactions not executed through the Qualified Custodian, costs associated with exchanging currencies, wire transfer fees, or other fees required by law or imposed by third parties. The Account will be responsible for these additional fees and expenses.

The wrap program fees that you pay to our firm for portfolio management services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others.

We may trade client accounts on margin. Each client must sign a separate margin agreement *before* margin is extended to that client account. Fees for advice and execution on these securities are based on the total asset value of the account, which includes the value of the securities purchased on margin. While a negative amount may show on a client's statement for the margined security as the result of a lower net market value, the amount of the fee is based on the absolute market value. This could create a conflict of interest where we may have an incentive to encourage the use of margin to create a higher market value and therefore receive a higher fee. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved.

Brokerage Practices

If you participate in the Program, you will be required to establish an account with Fidelity, a member of FINRA/SIPC, and an unaffiliated SEC-registered broker-dealer. If you do not direct our firm to execute transactions through Fidelity, we reserve the right to not accept your account. Not all advisers require their clients to direct brokerage. Since you are required to use Fidelity, we may be unable to achieve the most favorable execution of your transactions. We believe that Fidelity provides quality execution services based on several factors, including, but not limited to, the ability to provide professional services, reputation, experience and financial stability.

Research and Other Soft Dollar Benefits

Fidelity provides our firm with "institutional platform services." The institutional platform services include brokerage, custody, and other related services. Fidelity's institutional platform services that assist us in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Fidelity also offers other services intended to help our firm manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom Private Wealth Advisors, LLC may contract directly.

The above services provided by Fidelity are available to all investment advisors who use Fidelity's institutional platform and are not considered a soft dollar arrangement.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Item 5 Account Requirements and Types of Clients

We offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

Generally, we require a minimum account size of \$50,000 to open and maintain an advisory account with our firm. We may waive or lower this minimum requirement in our sole discretion. We may combine the account values of family members living in the same household to determine the applicable advisory fee.

Item 6 Portfolio Manager Selection and Evaluation

We are the sponsor and sole portfolio manager for the Program. Our firm does not utilize outside portfolio managers. Our firm and our Associated Persons act as portfolio managers for the wrap fee program described in this Wrap Fee Program Brochure.

You will work with an Associated Person of our firm to identify your financial needs, investment objectives, tolerance for risk, and investment time horizon for each account to be established in the Program. Based on information you provide, we will assist you in identifying objectives in accordance with the risk profile that is suitable for the account. Each portfolio is constructed with a view to achieving certain objectives and risk profiles, and we will manage the account's assets to reflect the portfolio selected by you.

Performance-Based Fees and Side-by-Side Management

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Methods of Analysis, Investment Strategies and Risk of Loss

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

Charting Analysis - involves the gathering and processing of price and volume pattern information for a particular security, sector, broad index or commodity. This price and volume pattern information is analyzed. The resulting pattern and correlation data is used to detect departures from expected performance and diversification and predict future price movements and trends.

Risk: Our charting analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Risk: The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Cyclical Analysis - a type of technical analysis that involves evaluating recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions.

Risk: The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Technical Analysis - involves studying past price patterns, trends, and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

Risk: The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Modern Portfolio Theory (MPT) - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

Risk: Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

Long-Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Risk: Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Short-Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Risk: Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Margin Transactions - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

Risk: If the value of the shares drops sufficiently, the investor will be required to either deposit more cash into the account or sell a portion of the stock in order to maintain the margin requirements of the account. This is known as a "margin call." An investor's overall risk includes the amount of money invested plus the amount that was loaned to them.

Option Writing - a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

Risk: Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be unlimited.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

We may use short-term trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

We may use investment strategies that involve buying and selling securities frequently in an effort to capture significant market gains and avoid significant losses during a volatile market. However, frequent trading can negatively affect investment performance.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Proxy Voting

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder. In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Item 7 Client Information Provided to Portfolio Managers

The Joseph Gunnar wrap fee program is managed on a client by client basis. We take into account each client's personal circumstances, short and long-term goals, and risk tolerance. We then develop an asset allocation target (equities and fixed income) that is mutually agreed upon. The portfolio will be rebalanced back to the allocation target(s) periodically. The target mix will be adjusted over time as the client's circumstances change.

Our Associated Persons communicate directly with clients on a regular basis as needed in order to ensure your most current investment goals and objectives are understood and are followed. In most cases, we will communicate such information as part of our regular investment management duties. In addition, you may communicate personal information, instructions, and changes in your investment goals and objectives when market or economic conditions warrant such action directly to an Associated Person of Joseph Gunnar & Co., LLC.

Item 8 Client Contact with Portfolio Managers

Without restriction, you should contact our firm or your advisory representative directly with any questions regarding your Program account.

Item 9 Additional Information

Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. As disclosed below under *Other Financial Industry Activities and Affiliations*, Joseph Gunnar & Co., LLC ("Joseph Gunnar") is also a registered broker-dealer. Our broker-dealer incurred the following disciplinary events:

On November 23, 2005, Joseph Gunnar consented to an Acceptance, Waiver & Consent ("AWC") due to a failure to maintain required net capital in connection with an escrow account for a private placement offering. Without admitting or denying the allegations, Joseph Gunnar consented to the sanctions and the firm was censured and fined \$20,000.

On May 16, 2007, Joseph Gunnar consented to an AWC due to a individual registration parking violation and deficiencies in communications with public in connection with a routine examination of the firm. Without admitting or denying the allegations, Joseph Gunnar consented to the sanctions and the firm was censured and fined \$35,000.

Other Financial Industry Activities and Affiliations

In addition to being registered as an investment adviser, our firm is also registered as a broker-dealer and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. Persons providing investment advice on behalf of our firm are registered representatives

with Joseph Gunnar. In their capacity as registered representatives, these persons will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by these persons in their capacities as registered representatives is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. In the case of mutual funds, we primarily recommend no-load or load-waived funds. However, you are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

Joseph Gunnar's Relationship with Buttonwood Group Advisors, LLC

Buttonwood Group Advisors, LLC ("BGA") and Buttonwood Select Opportunities Management Associates LLC ("BSOMA") are affiliates of Joseph Gunnar through common control and management personnel; specifically, Mr. Joseph A. Alagna, Jr. and Mr. Stephan A. Stein, principals of Joseph Gunnar, are also the principals of BGA and BSOMA. BGA and BSOMA respectively provide investment advisory services and sponsor pooled private investment vehicles that invest and trade in securities.

Mr. Alagna and Mr. Stein are not required to devote all of their time to Joseph Gunnar, BGA or BSOMA. However, actual conflicts of interest exist with respect to Messrs. Alagna's and Stein's allocation of time to the clients of the foregoing entities as well as their allocation of investment opportunities to such clients. For example, because the compensation Messrs. Alagna and Stein receive as a result of their work for each of these entities varies in character (i.e., asset-based, performance-based, a combination of the two, etc.) and amount, they may be incentivized to allocate more of their time to one or more entities (or such entities' clients) over one or more than the other(s). Messrs. Alagna and Stein are required to act at all times in accordance with the Code of Ethics of Joseph Gunnar (as discussed herein), and to act only from principles of fair and equitable dealing and good faith with respect to all parties.

Joseph Gunnar Agency

We are affiliated with Joseph Gunnar Agency, an insurance agency, through common control and ownership. Therefore, persons providing investment advice on behalf of our firm are licensed as insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate from our advisory fees. Please see the *Fees and Compensation* section in this brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

Because we are able to refer our clients to securities and insurance products through our firm, it presents a conflict of interest because we may have a financial incentive to recommend our own affiliated services. While we believe that compensation we charge is competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliated services and may obtain comparable services and/or lower fees through other firms.

Code of Ethics

We have adopted a Code of Ethics that sets the standard of conduct expected to comply with applicable securities laws. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. We adhere strictly to these guidelines. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

Through our affiliation with BGA and BSOMA we serve as the investment adviser and manager to private pooled investment vehicles. These funds include: Buttonwood Select Opportunities Fund LLC, Buttonwood Select Opportunities QP Fund LLC, Buttonwood Alpha Fund LLC and Buttonwood Alpha QP Fund LLC (collectively, the "Funds"). Clients may be solicited to invest in these Funds. Persons associated with our firm may have significant investments in the Funds. In addition, our firm, in its capacity as a broker-dealer, is paid a placement fee based on the percentage of sales proceeds from sales of the Funds. Accordingly, we may have an incentive to recommend the Funds over other investments. If you are an investor in the Funds, please refer to the Funds' offering documents for detailed disclosures regarding the Funds.

As discussed above, Joseph Gunnar shares common management personnel (Messrs. Alagna and Stein) with BGA and BSOMA, entities which respectively provide advisory services and sponsor pooled private investment vehicles. Messrs. Alagna and Stein may, in their capacities as principals of BSOMA, privately offer the securities of such private investment vehicles to certain clients of Joseph Gunnar. Should such clients consequently invest in such private investment vehicle(s), Messrs. Alagna and Stein will indirectly receive compensation as a result of their participation; specifically, such clients will be subject to certain reallocations of profits re-allocable and fees and payable to BGA and BSOMA, entities which Messrs. Alagna and Stein operate.

Although any private offering of securities either Mr. Alagna or Mr. Stein makes to any client of Joseph Gunnar will be done strictly in his capacity as an agent of the issuer (BSOMA), Mr. Alagna and Mr. Stein will be required to simultaneously bear in mind the client's relationship to Joseph Gunnar and act accordingly. Specifically, by virtue of the client's relationship with Joseph Gunnar, Messrs. Alagna and Stein, as principals of Joseph Gunnar, owe a fiduciary duty to any such client, generally, and will, as such and among other things, be required to consider the client's investment objectives and individual situation before and while engaging in any private offering to such client.

Additionally, individuals associated with our firm may buy or sell - for their personal account(s) - investment products identical to those purchased by clients. This practice may create a conflict of interest because we have the ability to trade ahead of clients and potentially receive more favorable prices than the clients will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over clients in the purchase or sale of securities.

Investment by Joseph Gunnar and its Management in Securities Recommended to Clients

As discussed above, Joseph Gunnar's management may trade Proprietary Accounts and Affiliated Accounts. Such Proprietary Accounts and Affiliated Accounts may make investments in the same securities Joseph Gunnar recommends and transacts in for its clients. It is possible orders for securities for Proprietary Accounts and Affiliated Accounts may be entered opposite to orders for client accounts, pursuant to, for instance, a different trading strategy, or trading at a different risk level.

We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Please refer to the Order Aggregation section in this brochure for information on our block trading practices..

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

General Information about Conflicts of Interest

The overarching principle guiding Joseph Gunnar's Code of Ethics and the application thereof with respect to conflicts of interest is that the personal interest of Joseph Gunnar or its management should not be placed improperly before the interest of Joseph Gunnar's clients. More specifically, management personnel must not use their personal influence or personal relationship improperly to influence investment decisions of Joseph Gunnar's clients whereby such member of management would benefit personally to the detriment of such clients or cause the clients to take action, or fail to take action, for the individual personal benefit of Joseph Gunnar or any member of its management rather than the benefit of the clients.

Review of Accounts

Your assigned Investment Adviser Representative will monitor your accounts on an ongoing basis and will conduct account reviews at least annually and upon your request to ensure that the advisory services provided to you and/or the portfolio mix are consistent with your stated investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

We will not provide you with additional or regular written reports in conjunction with account reviews. However, you will receive trade confirmations, monthly or quarterly statements, and year-end tax statements from your account custodian(s).

Client Referrals and Other Compensation

Please refer to the *Brokerage Practices* section for disclosures on research and other benefits we may receive resulting from our relationship with Fidelity.

As disclosed above, some persons providing investment advice on behalf of our firm are licensed insurance agents. In addition, our Associated Persons are registered representatives and investment adviser representatives with Joseph Gunnar, a securities broker-dealer, member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation and a registered investment adviser.

Financial Information

We are not required to provide a balance sheet or other financial information to our clients, because we do not require the prepayment of fees in excess of \$500 and six months or more in advance; we do not take custody of client funds or securities; and, we do not have a financial condition that is reasonably likely to impair our ability to meet our commitments to you. Moreover, we have never been the subject of a bankruptcy petition.

Privacy Policy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, insurance agencies and insurance companies, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. In general, if a trade error results in a profit, the trade error will be corrected in the trade error account of the executing broker-dealer and you will not keep the profit.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

Item 10 Requirements for State-Registered Advisers

Please see disclosures above under *Other Financial Industry Activities and Affiliations* regarding private pooled investment vehicles. We have no other relationship or arrangements with any issuer of securities other than the Funds disclosed above.

Joseph Gunnar has been involved and has been found liable in the following arbitration claims:

On August 30, 2002, James J. Crew and Joseph Gunnar jointly and severally were found liable in an arbitration proceeding. A monetary award was issued against James J. Crew and Joseph Gunnar jointly for \$10,000. Joseph Gunnar was found liable for \$35,300 in compensatory damages.

On October 30, 2003, Joseph Gunnar was found liable in an arbitration proceeding. A monetary award was issued against Joseph Gunnar for compensatory damages in the amount of \$121,000.

On June 9, 2003, Joseph Gunnar was found liable in an arbitration proceeding. A monetary award was issued against Joseph Gunnar for \$2,200 to claimants. Joseph Gunnar reimbursed claimants \$500 for filing fees.

On November 21, 2003, Joseph Gunnar was found liable in an arbitration proceeding. A monetary award was paid to claimants for \$61,023.

On March 17, 2002, Joseph Gunnar was found liable in an arbitration proceeding. A monetary award was paid to claimants for \$85,000 plus \$100 reimbursement of filing fee.

On June 12, 2003, Joseph Gunnar was found liable in an arbitration proceeding. A monetary award was paid to claimant for \$9,378 plus reimbursement of \$325 filing fee.

On August 1, 2008, Joseph Gunnar and Michael Camp, jointly and severally, were found liable in an arbitration proceeding. Compensatory damages of \$100,000 was awarded to claimant. The compensatory damages plus \$7,000 in costs were paid to claimant by Joseph Gunnar and Michael Camp jointly and severally.

On November 26, 2013, Joseph Gunnar was found liable in an arbitration proceeding. A monetary award was paid to claimants for \$650,772.55 plus interest and reimbursement of fees of \$23,257.27.

On May 23, 2014, Joseph Gunnar and J. Alagna were found jointly and severally liable in an arbitration proceeding. Joseph Gunnar and J. Alagna, jointly and severally paid claimant \$702,037 in compensatory damages plus interest.