



Scioto Wealth Strategies LLC
Form ADV Part 2A – Disclosure Brochure
September 1, 2015

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This brochure provides information about the qualifications and business practices of Scioto Wealth Strategies LLC. If you have any questions about the contents of this brochure, please contact us at 614-306-1630. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

You can find more information about Scioto Wealth Strategies LLC at the SEC’s website www.adviserinfo.sec.gov.

Item 2 – Material Changes

This is our first firm brochure, so there are no material changes at this time. In the future, this Item will be used to provide you with a summary of new and/or updated information. You will receive a summary of any material changes to this brochure within 120 days of the close of our fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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Item 4 – Advisory Business

The Company

Scioto Wealth Strategies LLC (“we,” “us” or “Scioto Wealth”) is an investment adviser registered with the SEC.¹ Scioto Wealth was founded in August, 2015 by James Frank Parker, Craig Cavicchia and Michael Stafford and is headquartered in Columbus, Ohio. Our principal owners are James Frank Parker and Craig Cavicchia.

Advisory Services

Scioto Wealth provides personalized, confidential financial planning, investment management and consulting services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. We consult with you and provide advice with respect to:

- Determining your financial objectives
- Identifying financial challenges
- Budgeting, cash flow analysis and debt management
- Retirement needs analysis
- Qualified and non-qualified employee/executive benefit planning
- Financial coaching
- Charitable, college and estate planning
- Tax planning
- Insurance and long term care planning
- Investment and real estate planning
- Business and succession planning

Our services are for clients seeking a personalized approach to implementing an individually customized strategy designed to meet their investment goals and objectives through portfolio monitoring and quarterly reporting. We work with clients to understand their individual investment objectives, liquidity and cash flow needs, time horizon and risk tolerance, as well as any other factors pertinent to their specific financial situations. After an analysis of the relevant information, Scioto Wealth assists its clients in developing an

¹ Registration as an investment adviser does not imply a certain level of skill or training.

appropriate strategy for managing their assets and financial affairs. We manage client accounts on both a discretionary or non-discretionary basis. This individualized approach allows the us to work with you to achieve your investment goals.

At the beginning of Scioto Wealth's relationship with you, we review your current investment portfolio, obtain information necessary to understand your current and expected financial situation, discuss with you your investment history, objectives, special interests and risk tolerance and make recommendations regarding your portfolio. Additionally, you can participate in regular planning meetings, telephone consultations and educational seminars.

We offer the following three types of advisory services to assist clients in achieving their unique goals and objectives. The different services offer clients a personalized approach to implementing an investment strategy through asset allocation, portfolio monitoring and consolidated reporting.

Wrap Fee Program

Scioto Wealth sponsors a "wrap fee" program, and we provide investment management services under the program. In a wrap fee program, a client receives investment advisory and portfolio transaction services for a single fee based on the amount of assets in the account. In our wrap fee program, we will either provide direct discretionary and non-discretionary portfolio management services for your account or select, or advise you regarding the selection of, a third party investment adviser to manage your account. Because the wrap program fee is based on the amount of assets in your account and is not commission-based (i.e., you are not charged a fee for each individual transaction in your account), you may trade in certain investment products without incurring separate brokerage commissions or transaction charges.

Clients establishing a wrap fee account with Scioto Wealth must open a securities brokerage and custody account and complete a new account agreement with a broker/dealer or custodian ("Financial Institution") acceptable to Scioto Wealth. If we manage your account, we will execute all transactions through this Financial Institution. If we retain or recommend that you retain a third party investment manager to manage your account, that investment manager also will execute all transactions through this Financial Institution.

We help clients select an appropriate strategy for managing their assets and financial affairs. The strategy chosen may be a Scioto Wealth strategy or a strategy developed and implemented by a third party investment manager. Scioto Wealth, or the third party investment manager, will then manage the assets in the wrap fee account in accordance with the chosen strategy. In selecting investments and third party investment managers, we consider each client's risk tolerance, investment strategy, funding needs and investment limitations. Item 8 - *Methods of Analysis, Investment Strategies and Risk of Loss* discusses Scioto Wealth's investment strategies in more detail. Scioto Wealth monitors the performance of those accounts managed by third party investment managers.

We will work with you to accommodate reasonable restrictions in any investment strategy. You must advise us of any such restrictions in writing, and you should be aware that imposing investment restrictions may adversely affect the performance of your account. There are no differences between how we managed wrap fee accounts and how we manage other accounts, and we receive a portion of the wrap fee as compensation for managing wrap fee accounts.

Brokerage/Trading Account Services

Concentrated stock positions, insurance and annuities contracts, real estate investment trusts ("REITs"), business development companies ("BDCs"), private placements or similar products are more appropriately held in a transaction-based, non-wrap fee brokerage account with a broker/dealer acceptable to Scioto Wealth. That is because you are unlikely to trade these securities with any frequency. An account that charges commissions only upon the execution of a securities transaction is more economical than a wrap fee account, which charges an asset-based fee regardless of the number of transactions in the account, if you intend to hold securities for an extended period of time. Our investment adviser representatives also are registered representatives of broker/dealers and we can execute transactions in brokerage accounts on behalf of our clients. We receive front or deferred sales charges or loads, brokerage commissions and other transaction-based compensation when we buy or sell these instruments on your behalf.

Consulting Services

We provide clients with financial consulting services on various matters, including, but not limited to budgeting, tax planning, executive compensation, protection planning, wealth transfer, charitable planning, business and succession planning and educational funding.

Assets Under Management

As of September 1, 2015, we have no assets under management. We manage client assets on a discretionary and non-discretionary basis.

Item 5 – Fees and Compensation

Amount of Our Fees

Wrap Fee Program

We charge wrap fee program clients a single fee calculated as a percentage of the assets in the account. The fee covers investment management services and the costs of executing trades. If Scioto Wealth directly manages your account, we retain the fee to compensate us for our investment management services and to reimburse us for transaction charges assessed by the Financial Institution through which we execute trades in your account. If assets have been allocated to a third party investment manager, we pay a portion of the fee to that investment manager. The fee you will pay depends on a variety of factors, including

the amount of the fees charged by the third party manager (if applicable), the volume of transaction activity in your account, the value of other services provided under the arrangement, the type and size of your account and the total amount of assets we manage for you. Accounts with multiple objectives, specific reporting requirements, portfolio restrictions, and other complexities may be charged a higher fee.

The wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately and we were free to negotiate commissions with Financial Institutions and seek the best price and execution of transactions for your account. See *Wrap Fee Programs* in Item 12 for additional information about brokerage for this program.

Our standard fee schedule is below. Fees shown are on an annual basis.

Client Aggregate Assets	Annual Fee Range
\$0 - \$2,000,000	1.25%
\$2,000,001 - \$5,000,000	0.90%
Over \$5,000,000	0.75%

We reserve the right to negotiate a different fee for your account.

Brokerage/Trading Accounts

Scioto Wealth does not charge a fee for managing assets in your brokerage/trading account. However, we will accept sales loads (charges) and brokerage commissions for transactions placed with unaffiliated broker/dealers we utilize to execute transactions in the account. These commissions are separate from and in addition to any fees paid in wrap fee accounts or for consulting services. This practice may present a conflict of interest and give us an incentive to recommend investment products based on compensation received rather than on your needs. We manage this conflict by trading in your brokerage/trading account only with your authorization and only after disclosing to you the compensation we will receive for executing the trade. In addition, you have the option to purchase or sell investment products that we recommend through other broker/dealers with whom we are not associated.

Consulting Services

As stated in Item 4 above, we may provide clients with financial consulting services on various matters. We typically charge clients a fixed fee for such services. The fee varies based on the scope of the work provided.

Fee Billing

Wrap Fee Program

Our fees are paid quarterly in advance and are based on the market value of the assets in your account at the beginning of the calendar quarter. We will deduct our fees directly from your account at your Financial Institution. If you have insufficient cash in your account to pay our fee, we may sell certain of your account assets to pay the fee. Fees are pro-rated for partial periods. If you terminate your agreement with us during a quarter, we will refund a pro rata portion of the fee you paid for that quarter, based on the number of days between the end of the notice period and the end of the quarter.

Consulting Fees

Our fees for financial consulting services are fixed, and are payable in advance and in full, unless Scioto Wealth and you mutually agree otherwise.

Other Fees

Your account may be investment in exchange traded funds (“ETFs”) or other investment companies, such as mutual funds, hedge funds and private equity funds. These investment companies charge internal management fees, which are disclosed in their prospectuses or offering documents. These fees are not shared with Scioto Wealth. We evaluate these relative annual costs as a part of our investment decision making process. In addition, you may incur transfer taxes, custodial fees, wire transfer fees and other fees assessed by broker/dealers in connection with transactions in your brokerage/trading account.

You could invest in an ETF or other investment company directly. In that case, you would not receive the services we provide, which are designed in part to help you determine which, if any, investment companies are best suited to your financial condition and objectives. You should review the fees charged by the investment companies and our fees to fully understand the total amount of fees you will pay and to evaluate the advisory services we provide.

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

We do not accept “performance-based fees” (i.e., fees based on a share of capital gains on or capital appreciation of your assets).

Item 7 – Types of Clients

Scioto Wealth provides investment management services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, financial institutions and small businesses.

The minimum account size for a wrap fee program account is \$50,000. There is no minimum account size of brokerage/trading account and consulting services.

We reserve the right to waive minimum account size requirements at our discretion.

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

The investment strategies employed by Scioto Wealth share a common philosophy: participate in upside asset price momentum while engaging in systematic methods to avoid substantial losses. The use of downside protection strategies, or portfolios designed primarily to win by avoiding substantial losses, is an approach that has shown to benefit portfolio performance over the long-term. We believe that applying systematic, rules-based investment processes focused on aligning portfolio exposures with trends in capital markets may prove to be a successful investment approach. Our investment philosophy is grounded in a disciplined approach to allocating assets consistently based on what we believe to be the highest probability events. Scioto Wealth's investment focus is not on beating the benchmark year after year. We believe that this approach may expose client portfolios to excessive risk. Instead, the Scioto Wealth attempts to participate in upside asset class trends while focusing on avoiding material losses that may significantly erode a portfolio's value. We believes this approach may result in portfolio results that beat the benchmark over the long-term, while assuming less risk.

Methods of Analysis

Scioto Wealth employs both fundamental and technical analysis in developing investment strategies for its clients.

- *Fundamental Analysis.* The success of our strategies depends in large part on our ability to accurately assess the fundamental value of securities and capital markets in general. An accurate assessment of fundamental value depends on a complex analysis of a number of economic, financial, operating, legal and other factors. No assurance can be given that we can assess the nature and magnitude of all material factors having a bearing on the value of securities.
- *Technical Analysis.* In implementing our investment strategies, we may also utilize technical analysis, which is the study of asset prices and their movement as influenced by the supply and demand for a particular security. Although employing these techniques may expand the opportunity for gain, it also carries the risks of volatility and loss.

Our research and analysis is derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and third party research.

Investment Strategies

Wrap Fee Program Sponsor

As sponsor of a wrap fee program, Scioto Wealth evaluates information about the third party investment managers it selects to manage client assets in the program. We generally review a variety of different resources, which may include the manager's public disclosure documents, materials supplied by the managers themselves, and other third-party analyses we believe to be reputable. To the extent possible, Scioto Wealth seeks to assess a third party investment manager's investment strategies, past performance and risk results in relation to our clients' individual portfolio allocations and risk exposures. We also take into consideration each third party investment manager's reputation, financial strength, reporting, pricing, and research capabilities, among other related factors.

Scioto Wealth monitors the performance of those accounts managed by third party investment managers by reviewing the account statements produced by the Financial Institutions, as well as other performance information furnished by the third party investment managers and/or other third-party service providers. However, we do not independently verify the accuracy of any such performance information and do not ensure its compliance with presentation standards. You are advised that any performance information you receive from third party investment managers may not be calculated on a uniform and consistent basis.

We advise clients to compare all supplemental materials with the account statements they receive from their respective Financial Institutions. The terms and conditions under which a third party investment manager is engaged is contained in a separate written agreement between Scioto Wealth or the client and the third party investment manager. In addition to this brochure, a client also receives the brochure of the third party investment manager engaged to manage the client's assets.

Wrap Fee Program Manager

In addition to sponsoring the wrap fee program, we also provide investment management services under the program. In managing client accounts, we generally employ a long-term investment strategy consistent with our client's financial goals. We typically will hold all or a portion of a security for more than a year, but may hold for shorter periods in order to rebalance a portfolio, meet a client's cash needs, or respond to poor investment performance. In addition, Scioto Wealth may at times buy and sell positions that are more short-term in nature, depending on the goals of the client and/or the fundamentals of the security, sector or asset class. However, we do not utilize frequent trading. Frequent trading may result in higher transactional costs and may cause deterioration in investment performance. Frequent trading also may cause additional tax consequences (i.e., higher taxes) for the client.

In managing a portfolio, Scioto Wealth principally recommends investment in ETFs, mutual funds, hedge funds and other investment companies, as well as individual equity securities.

These securities may be subject to material loss of principal or loss of principal in its entirety. Investment in these securities and in financial markets in general may subject clients to material risks such as those set forth below.

Risk of Loss

All investments in securities include a risk of losing your principal (invested amount) and any profits that you have not yet realized. You should be prepared to bear that risk. As you know, the stock and fixed income markets fluctuate substantially over time. In addition, as recent global and domestic economic events have shown, the performance of any investment is not guaranteed.

Our strategies may subject clients to the following risks:

- *Correlation Risk:* The price of equity securities and fixed income securities, as well as other asset classes, often rise and fall at different times so that a fall in the price of one may be offset by a rise in the price of the other. In deteriorating markets, the prices of securities within and across asset classes may fall in tandem. Because our strategies allocate investments targeted in one asset class or across asset classes, the strategies are subject to correlation risk.
- *Credit Risk:* Issuers of fixed income securities may not make interest or principal payments on securities, resulting in losses to an investor. In addition, the credit quality of an issuer's securities may be lowered if an issuer's financial condition changes, including the U.S. government.
- *Derivatives Risk:* Some ETFs use derivatives, such as swaps, options and futures, among others. Derivative instruments may be illiquid, difficult to value and leveraged so that small changes may produce disproportionate losses to a client. Over-the-counter derivatives, such as swaps, are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. Losses from investments in derivatives can result from a lack of correlation between the value of those derivatives and the value of the underlying asset or index. In addition, there is a risk that the performance of the derivatives or other instruments used by ETFs to replicate the performance of a particular asset or asset class may not accurately track the performance of that asset or asset class.
- *Diversification Risk:* A client's portfolio may be limited to only a few investments. As a result, the client's performance may be more sensitive to any single economic, business, political or regulatory occurrence, relative to the value of a more diversified portfolio.
- *Emerging Market Risk:* Emerging market countries may have relatively unstable governments, weaker economies and less-developed legal systems with fewer security holder rights. Emerging market economies may be based on only a few

industries and security issuers may be more susceptible to economic weakness and more likely to default. Emerging market securities also tend to be less liquid.

- *ETF Risk:* ETFs are subject to investment advisory and other expenses, which will be indirectly paid by clients. As a result, the cost of the investment strategy will be higher than the cost of investing directly in ETFs. In addition, ETFs are subject to specific risks, depending on the nature of the fund. ETFs are professionally managed pooled investment vehicles that invest in stocks, bonds, short-term money market instruments, other ETFs, derivatives and other securities, or any combination thereof. ETF managers trade fund investments in accordance with fund investment objectives. While ETFs may provide diversification, risks can be significantly increased for funds concentrated in a particular sector of the market, or that primarily invest in small cap or speculative companies, use leverage (i.e., borrow money), or concentrate in a particular type of security rather than balancing the fund with different types of securities. ETFs can be bought and sold throughout the day and their price can fluctuate throughout the day. During times of extreme market volatility, ETF pricing may lag versus the actual underlying asset values and there is no guarantee this relationship will resolve itself.
- *Fixed Income Risk:* A client's account may be invested in fixed income securities, directly or through ETFs. The credit quality rating of securities may be lowered if an issuer's financial condition deteriorates and issuers may default on their interest and/or principal payments. Typically, a rise in interest rates causes a decline in the value of fixed income securities.
- *Foreign Investment Risk:* Foreign investing involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency values, adverse political, social and economic developments, less liquidity, greater volatility, less developed or less efficient trading markets, political instability and differing auditing and legal standards.
- *Key Personnel Risk:* The success of our strategies depends greatly on the investment skills of our principals and key personnel. Performance of a client's account could be adversely affected if, due to illness or other factors, the services of certain principals or key personnel were not available for any significant period of time.
- *Leverage Risk:* Leverage (borrowing) may be used in investment and trading, generally through purchasing inherently leveraged instruments, such as certain ETFs. The prices of leveraged instruments can be highly volatile, and investments in leveraged instruments may, under certain circumstances, result in losses that exceed the amounts invested. Borrowing magnifies the potential for losses and exposes the client to interest expense on money borrowed. Leveraged ETFs and derivatives will amplify losses because they are designed to produce returns that are a multiple of the equity index to which they are linked.

- *Leveraged ETF Risk:* ETFs may use leverage, which may amplify gains and losses. Most leveraged ETFs reset their leverage daily. Due to the effect of compounding, their performance over longer periods of time can differ significantly from the performance of their underlying index or benchmark during the same period of time.
- *Market Risk:* Overall equity, fixed income and alternative securities market risks affect the value of a client's portfolio. Factors such as domestic or global economic growth, market conditions, interest rate levels and political events affect the securities markets.
- *Options Risk:* There are numerous risks associated with transactions in options on securities. A decision as to whether, when and how to write options and purchase options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events.
- *Small and Medium Capitalization Stock Risk:* A client may invest directly or through ETFs in companies of any size capitalization. The price of small or medium capitalization company stocks may be subject to more abrupt or erratic market movements than larger, more established companies or the major market indices in general.
- *Turnover Risk:* A higher portfolio turnover may result in higher transactional and brokerage costs and could result in higher taxes when a client's investments are held in a taxable account.
- *U.S. Government Securities Risk:* Although U.S. government securities are considered among the safest investments, they are not guaranteed against price movements due to changing interest rates. Obligations issued by some U.S. government agencies are backed by the U.S. Treasury, while others are backed solely by the ability of the agency to borrow from the U.S. Treasury or by the agency's own resources.
- *Strategy Risks:* The business of investing in securities is highly competitive and the identification of attractive investment opportunities is difficult and involves a high degree of uncertainty.
- *Cyclical Analysis Risk:* Economic/business cycles may not be predictable and may have many fluctuations between periods of economic or market expansion and contraction. 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.

- *Management Risk:* The success of Scioto Wealth's investment strategies depends to a great extent on the investment skills of Scioto Wealth's principals and key personnel. Performance could be adversely affected if, due to illness or other factors, the services of certain principals or key personnel were not available for any significant period of time.
- *Private Fund Risk.* Client assets may be invested in 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. Private investment vehicles are less liquid than other investments. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

Item 9 – Disciplinary Information

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.

Scioto Wealth has no legal or disciplinary events to report²

Item 10 – Other Financial Industry Activities and Affiliations

We are obligated to disclose whether Scioto Wealth or any of its officers or employees are involved in other financial industry activities, such as those of a broker-dealer, commodity pool operator or a futures commission merchant. We are also obligated to disclose if we receive compensation from other advisers for recommending or selecting those advisers for you.

All of our investment adviser representatives also are registered representatives of Charles Schwab & Co. ("Schwab"). We discuss any potential conflicts of interest with broker/dealers we use to execute transactions in client accounts, including through Schwab, in Items 4, 5 and 12.

We anticipate owning a non-controlling interest in Bower Hill Capital Management ("Bower Hill"), a registered investment adviser and Bower Hill anticipates holding a non-controlling interest in our firm. Bower Hill is a third party investment manager in our wrap fee program, and we utilize portfolios constructed and managed by Bower Hill when

² We note that registered advisors are required to report, in Part 1A of Form ADV, all disciplinary events regardless of whether they are material. Scioto Wealth has no disciplinary events of any kind to report.

it is in the best interest of our clients to do so. As a non-controlling member, we do not have rights to a share of the profits earned by Bower Hill, but we do have rights to a share of the proceeds (if any) if Bower Hill is at some point in the future acquired by another entity

As a wrap fee account sponsor, we do recommend or select third party investment managers to manage all or a portion of your portfolio. However, we do not receive compensation from those third party investment advisers for recommending or selecting them.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

We expect our investment adviser representatives to always act in your best interests, and to place your interests ahead of their own. We have adopted a Code of Ethics (the “Code”) that sets forth the standard of business conduct expected from each member of our team.

The Code restricts trading in any security for which we believe we may be privy to material non-public information. It also places restrictions on trading by our managers and investment adviser representatives (which we refer to as “personal trading”) to prevent any conflict of interest between personal trading and client trading. The Code limits gifts and entertainment, whether received or given, to avoid conflicts of interests. The Code causes all outside business activities of our team members to be disclosed so that potential conflicts can be detected and addressed. Finally, it limits the political contributions of our managers and investment adviser representatives to prevent any potential conflicts in that area as well. All our managers, investment adviser representatives and employees must accept in writing the terms of the Code upon employment, annually, and as amended.

We will provide a copy of the Code to any client or prospective client upon request. If you would like a copy, please contact our Chief Compliance Officer at the telephone number or the address specified on the cover page of this brochure.

Participation or Interest in Client Transactions and Personal Trading

The strategies we use to manage client accounts also are used to manage accounts maintained by Scioto Wealth, its managers, investment adviser representatives and employees. As a result, we (or our managers, investment adviser representatives and employees) may (i) invest in the same securities or related securities (for example, warrants, options or futures) that we recommend to our clients, (ii) buy or sell securities for our own accounts at the same time that we recommend, buy or sell the same securities for client accounts, or (iii) include buy or sell orders in an aggregated transaction along with client buy or sell orders. To address any potential conflicts of interest from this practice, we may not trade in a manner that would be adverse or detrimental to client

trades, and we always allocate partially filled orders to client accounts before allocating to our accounts.

We do not buy or sell for your account securities in which Scioto Wealth or its managers, investment adviser representatives and employees have a material financial interest.

Item 12 - Brokerage Practices

Broker Selection and Best Execution

In managing client wrap fee accounts, Scioto Wealth has the authority to make all determinations as to securities to be bought and sold, the amounts of securities to be bought or sold, the broker-dealer to be used and the commission and other fees to be paid. As part of its discretionary responsibilities, Scioto Wealth seeks best execution under the circumstances on each trade placed on your behalf.

When selecting broker-dealers to execute transactions, we take into consideration the range and quality of a broker's services including, but not limited to, execution capability, trading expertise, accuracy of execution, commission rates, research, reputation and integrity, fairness in resolving disputes, financial responsibility and responsiveness. The determinative factor is not the lowest possible commission rate, but whether the transaction represents best qualitative execution under the circumstances.

Research and Other Soft Dollar Benefits

Scioto Wealth has not entered into any commitments or understandings to trade with specific broker/dealers, direct a minimum number of transactions to specific brokers/dealers, or generate a specified level of brokerage commission with any particular broker/dealer, in order to receive brokerage or research services. These commitments or understandings are generally known as soft dollar arrangements. However, certain brokers through which we execute trades may provide unsolicited proprietary research (i.e., research the broker creates) to us. This research is used for all client accounts, even though only certain clients may have paid commissions to the brokers who provided the research. This research could include a wide variety of reports, charts, publications or proprietary data on economic and political strategy, credit analysis, or stock and bond market conditions and projections. In addition to unsolicited research, certain brokers may provide invitations to attend conferences and meetings with management representatives or with other analysts and specialists.

Trade Aggregation and Allocation

Scioto Wealth may aggregate orders for the same securities purchased for a number of client accounts. Trade aggregation is performed to ensure, to the extent possible, optimal execution and consistent results across our client base. Accounts owned by the Scioto Wealth or its managers, investment adviser representatives or employees may participate

in aggregated orders; however, they will not be given preferential treatment. Occasionally, we may only partially fill an aggregated order. Under those circumstances and to the extent it makes practical sense, we allocate the order on a pro rata basis among the applicable client accounts and do not allocate to firm or employee accounts unless all client orders are fully filled. The allocation of the shares purchased is not based on account performance or the amount or structure of management fees. There may be instances when partially filled orders may adversely affect the size of the position or the price you pay or receive, as compared with the size of the position or price that you would have paid or received had no aggregation occurred.

Trade Errors

When a trade error occurs, the client will retain any net gains resulting from the error correction, and we will compensate the client wholly for any loss resulting from the error or its correction.

Item 13 – Review of Accounts

Our investment adviser representatives review client accounts quarterly and may reposition assets to bring the actual allocations closer to the chosen strategy's target allocations, unless the client has requested otherwise. Account transactions are reviewed on an ongoing basis to ensure consistency with client objectives and restriction, if any. Significant market or client-specific events may cause us to review an account on a more frequent basis. Our investment adviser representatives meet with clients in-person, by telephone or via webcasts on an agreed upon basis, but on at least an annual basis. Clients are encouraged to notify Scioto Wealth of any changes in their financial situation, needs or investment objectives, or the suitability of the investment strategy developed for them.

Clients receive transaction confirmation notices and regular summary account statements directly from the Financial Institution holding their accounts. Scioto Wealth also provides clients with periodic reports. These written reports generally contain account holdings, investment results and other data relevant to your account. We urge clients to carefully review these reports and compare the statements received from the Financial Institution with the reports that we provide. The information in our reports may vary from the Financial Institution's statements based on accounting procedures, reporting dates or the valuation methodologies of certain securities.

Item 14 – Client Referrals and Other Compensation

No Compensation for Client Referrals

We do not currently compensate any person for client referrals.

Other Compensation

Other than the compensation described in Item 5, Scioto Wealth does not receive any compensation from anyone other than its clients.

Benefits from Custodians

We may recommend that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc., a registered broker-dealer, to maintain custody of clients' assets and to effect trades for their accounts. The final decision to custody assets with Schwab is yours to make. We are independently owned and operated and not affiliated with Schwab. Schwab provides us with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Scioto Wealth client accounts maintained in Schwab's custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Scioto Wealth is absorbing these fees and is not passing them on to its clients.

Schwab also makes available to us other products and services that benefit us but may not benefit our clients' accounts. These benefits may include educational events organized or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of our personnel by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities.

Other of these products and services provided by Schwab assist us in managing and administering client accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from client accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of our accounts, including accounts not maintained at Schwab Advisor Services.

Schwab Advisor Services also makes available to us other services intended to help us manage and further develop our business enterprise. These services may include

professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to us by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us. While, as a fiduciary, we endeavor to act in our clients' best interests, our recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to us of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

Item 15 – Custody

We do not provide custodial services to our clients. Your assets must be held by a Financial Institution or other “qualified custodian.” You will receive custodial statements directly from your Financial Institution at least quarterly. We urge you to carefully review the custodial statements and compare them to the reports we send you. The information in our reports may vary from your custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Our investment advisory agreements give us discretionary authority to manage the assets in clients' accounts, including the ability to select brokers, purchase, sell and exchange securities and other instruments, and reinvest all proceeds. However, we observe reasonable investment limitations and restrictions that you provide to us in writing, provided that we determine in our sole discretion that such limitations and restrictions are consistent with the strategy we are using for your account.

We do not advise or act on your behalf in legal proceedings involving companies whose securities are held in your account, including, but not limited to, the filing of class action settlement claim forms. You may, however, direct us to transmit copies of these forms to you or a third party. If you do, we will attempt to forward such forms in a timely manner.

Item 17- Voting Client Securities

We do not accept authority to vote client securities. Proxy materials generally will be received by you directly or forwarded to you by your Financial Institution. We encourage you to contact your Financial Institution if you have questions related to proxy materials.

Item 18 – Financial Information

In certain circumstances, registered investment advisers are required to provide clients or prospective clients with financial information or disclosures about their financial condition. Scioto Wealth has no financial commitments that impairs our ability to meet our contractual or fiduciary commitments to you and has never been the subject of any bankruptcy proceeding.

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