

FORTEM FINANCIAL WRAP FEE PROGRAM

Sponsored by

FORTEM FINANCIAL, LLC

a Registered Investment Adviser

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September 30, 2016

This Brochure provides information about the qualifications and business practices of Fortem Financial, LLC “Fortem Financial.” If you have any questions about the contents of this Brochure, please contact us at 760-206-8500. 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.

Fortem Financial is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Fortem Financial also is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Fortem Financial is 283097.

Item 2. Material Changes

This Item of the Brochure discusses only specific material changes that are made to the Brochure since the last annual update and provides clients with a summary of such changes. Fortem Financial, LLC received initial registration approval in June of 2016; therefore, has not yet submitted an Annual Updating Amendment.

Our current Brochure contains the following material changes:

- The Cover Page has been updated to reflect a change in the firm's address as of September 30, 2016.
- We have updated the Assets Under Management information in Item 4 in accordance with the filing of an amendment to the Form ADV Part 1 to include this information and stating our eligibility for registration with the Securities and Exchange Commission.

(Date of Brochure: 09/30/2016)

(Date of Most Recent Annual Updating Amendment: N/A)

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Brett D'Orlando, Fortem Financial's Chief Compliance Officer at 760-206-8500. Additional information about Fortem Financial is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Fortem Financial who are registered, or are required to be registered, as investment adviser representatives of Fortem Financial.

Item 3. Table of Contents

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.....	11
Item 6. Portfolio Manager Selection and Evaluation	11
Item 7. Client Information Provided to Portfolio Managers	13
Item 8. Client Contact with Portfolio Managers	14
Item 9. Additional Information	14

Item 4. Services, Fees and Compensation

The Fortem Financial Wrap Fee Program (the “Program”) is an investment advisory program sponsored by Fortem Financial. In addition to the Program, the Firm offers a variety of advisory services, which include financial planning consulting, and investment management services under different arrangements than those described herein. Prior to Fortem Financial rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Fortem Financial setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

Fortem Financial became registered as an investment adviser in July 2016. Brian A. Amidei, Joseph G. Romano III and Brett D’Orlando are the current owners of the Firm. As of the date of this filing, Fortem Financial has \$154,763,000 discretionary assets under managements and \$20,547,000 non-discretionary assets under management.

While this brochure generally describes the business of Fortem Financial, 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 Fortem Financial’s behalf and is subject to the Firm’s supervision or control.

Description of the Program

The Program is offered as a wrap fee program, which provides clients with the ability to trade in certain investment products without incurring separate brokerage commissions or transaction charges. A wrap fee program is considered any arrangement under which clients receive investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions for a specified fee or fees not based upon transactions in their accounts. Clients must also open a new securities brokerage account and complete a new account agreement with Schwab Advisor Services™ (“Schwab”).

At the onset of the Program, clients complete an investor profile describing 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, Fortem Financial assists its clients in developing an appropriate strategy for managing their assets. Clients’ investment portfolios are generally managed on a discretionary basis by Fortem Financial’s investment adviser representatives or an independent investment manager (collectively “Independent Managers”), as recommended or selected by Fortem Financial. Fortem Financial and/or the Independent Managers generally allocate clients’ assets among the various investment products

available under the Program, as described further in Item 6 (below).

Financial Planning and Consulting Services

Fortem Financial offers clients a broad range of financial planning and consulting services, which may include any or all of the following functions:

- Business Planning
- Education Planning
- Liability and Risk Management
- Trust and Estate Planning
- Retirement Planning
- Cash Flow Forecasting
- Investment Consulting
- Insurance Planning
- Charitable Giving
- Distribution Planning
- Tax Planning
- Manager Due Diligence

While each of these services is available on a stand-alone basis, certain of them may also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

In performing these services, Fortem Financial is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. Fortem Financial may recommend clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if clients engage Fortem Financial or its affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Fortem Financial under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Fortem Financial's recommendations and/or services.

Investment and Wealth Management Services

Fortem Financial provides clients with wealth management services which include a broad range of comprehensive financial planning and consulting services as well as discretionary management of investment portfolios.

Fortem Financial primarily allocates client assets among various mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities, and independent investment managers ("Independent Managers") in accordance with their stated investment objectives.

When requested, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage Fortem Financial to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Fortem Financial directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

Fortem Financial tailors its advisory services to meet the needs of its individual clients and seeks to ensure that client portfolios are managed in a manner consistent with those needs and objectives. Fortem Financial consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Fortem Financial 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 Fortem Financial determines, in its sole discretion that the conditions would not prove overly burdensome to the Firm's management efforts.

Use of Independent Managers

As mentioned above, Fortem Financial may select certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

Fortem Financial evaluates a variety of information about Independent Managers, 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 exposure. Fortem Financial also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Fortem Financial continues to provide services relative to the discretionary selection of the Independent Managers. The Firm will monitor the performance of those accounts being managed by Independent Managers. Fortem Financial seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests. The Independent Manager's fees are not included in the Program Fee.

Fees for Participation in the Program

The Program is offered on a fee basis, meaning participants pay a single annualized fee based upon assets under management. This management fee generally varies between 25 and 175 basis points (0.25% – 1.75%) depending upon the size and composition of a client's portfolio and the type of services rendered.

The asset based fee will be prorated and paid quarterly, in advance. For the initial quarter, the fee is based upon the value of the assets being managed by us at the time the account is funded by such assets. In subsequent quarters, the fee is based upon the market value of the average daily account balance of the assets being managed by us for the previous quarter. For the initial quarter, the fee is calculated on a pro rata basis, while the fees for subsequent quarters are adjusted because of the uses of an average daily account balance from the previous quarter. No portion of the annual fee will be based on capital gains or appreciation of the assets. There will be no increase in the annual fee

without prior written notice. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, cash, etc.), Fortem Financial may negotiate a fee rate that differs from the range set forth above.

Financial Planning and Consulting Fees

Fortem Financial can be engaged to provide financial planning and consulting services on a fixed-fee basis under a stand-alone engagement. These fees are negotiable, but generally range from \$1,000 to \$25,000 depending upon the scope and complexity of the services and the professional rendering the financial planning and/or the consulting services. If the client engages the Firm for additional investment advisory services, Fortem Financial may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

The terms and conditions of the financial planning and/or consulting engagement are set forth in the Advisory Agreement and Fortem Financial generally requires one-half of the fee (estimated hourly or fixed) payable upon execution of the Advisory Agreement. The outstanding balance is generally due upon delivery of the financial plan or completion of the agreed upon services. The Firm does not, however, take receipt of \$1,200 or more in prepaid fees in excess of six months in advance of services rendered.

Fee Comparison

As referenced above, a portion of the fees paid to Fortem Financial are used to cover the securities brokerage commissions and transactional costs attributed to the management of its clients' portfolios.

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 also be higher or lower than fees charged by other sponsors of comparable investment advisory programs. Because the Firm pays for the brokerage fees and Independent Managers' fees, the Firm has an incentive to engage in less transactions, or transactions that cost less to the Firm.

Fee Discretion

Fortem Financial may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of

assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and for certain non-profit groups or charitable organizations.

Other Charges

In addition to the advisory fees paid to Fortem Financial, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions. These additional charges may include fees charged by the Independent Managers, fees attributable to alternative assets, reporting charges, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund Program Fees and other fund expenses), fees and commission for assets not held with one of the Custodians (such as 401(k) or 529 plan assets), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees.

Direct Fee Debit

Clients generally provide Fortem Financial and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Fortem Financial.

Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time, subject to Fortem Financial's right to terminate an account. 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 Fortem Financial, subject to the usual and customary securities settlement procedures. However, Fortem Financial designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Fortem Financial 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 (e.g., contingent deferred sales charge) and/or tax ramifications.

Use of Margin

Fortem Financial may be authorized to use margin in the management of the client's investment

portfolio. In these cases, the fee payable will be based on the underlying value of the assets being managed irrespective of the margin balance. Fortem Financial will not collect any fees related to the margin debit, however, the custodian will charge interest on the balance as agreed upon in the margin agreement. The Firm may, however, charge financial planning or consulting fixed fees based on structuring loans.

Commissions and Sales Charges for Recommendations of Securities

Clients can engage certain persons associated with Fortem Financial (but not the Firm directly) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with Fortem Financial.

Under this arrangement, the Firm's Supervised Persons, in their individual capacities as registered representatives of an independent broker-dealer ("IBD"), may provide securities brokerage services and implement securities transactions under a separate commission based arrangement. Supervised Persons may be entitled to a portion of the brokerage commissions paid to IBD, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. Fortem Financial may also recommend no-load or load-waived funds, where no sales charges are assessed. Prior to effecting any transactions, clients are required to enter into a separate account agreement with IBD.

A conflict of interest exists to the extent that Fortem Financial recommends the purchase or sale of securities where its Supervised Persons receive commissions or other additional compensation as a result of the Firm's recommendation. The Firm has procedures in place to ensure that any recommendations made by such Supervised Persons are in the best interest of clients. For certain accounts covered by the Employee Retirement Income Security Act of 1974 ("ERISA") and such others that Fortem Financial, in its sole discretion, deems appropriate, Fortem Financial may provide its investment advisory services on a fee- offset basis. In this scenario, Fortem Financial 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 individual capacities as registered representatives of IBD. Neither the Firm nor any of its Supervised Persons receive any transaction-based compensation (including 12b-1 fees) on assets for which the Firm charges the Program Fee.

Compensation for Recommending the Program

Fortem Financial has no internal arrangements in place whereby persons recommending the Program are entitled to receive additional compensation as a result of clients' participation. A person recommending the Program will not earn more compensation than he or she would otherwise receive if a client elected another investment management program.

Item 5. Account Requirements and Types of Clients

Fortem Financial does not generally impose a minimum portfolio value or fee as a condition for starting or maintaining an investment management relationship. Fortem Financial only accepts clients with a smaller portfolio size if the Firm determines such will not cause a substantial increase of investment risk beyond the client's identified risk tolerance.

Fortem Financial offers services to high net-worth individuals, corporations and business entities, pension and profit sharing plans, charitable organizations, and trusts and estates.

Item 6. Portfolio Manager Selection and Evaluation

Clients' investment portfolios are generally managed directly by Fortem Financial. Fortem Financial may also utilize the discretionary investment of certain Independent Managers, as referenced above. Where Fortem Financial provides services outside of the Program, there is no difference in how assets are managed other than those non-wrap clients paying transaction fees separately.

Side-By-Side Management

Fortem Financial does not provide any services 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

Fortem Financial utilizes a combination of fundamental, technical, cyclical and Behavioral finance methods of analysis while employing an asset allocation strategy based on a derivative of Modern Portfolio Theory ("MPT").

Investment Strategies

For each client, Fortem Financial's investment process begins with a financial plan and an investment policy statement. Through understanding each client's cash flows, current and future financial obligations, risk perceptions, liquidity, time horizon, and investment objectives, the Firm believes it can custom tailor portfolios to meet each client's personal objectives.

Fortem Financial believes a diversified approach improves clients' probability of achieving their financial goals. Diversification will be carried out among asset classes, investment styles, and maximum allocations to specific positions. The Firm will include equity, fixed income, alternatives, and cash in each client's account. Further, Fortem Financial may utilize Independent Managers and invest in direct equity and fixed income positions, open-end and closed-end mutual funds, ETFs, UITs, and direct investment.

Risk 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 Fortem Financial's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that Fortem Financial 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 20,000 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, Fortem Financial may select certain Independent Managers to manage a portion of its clients' assets. In these situations, Fortem Financial continues to conduct due diligence of such managers. However, the performance of those assets managed by Independent Managers will depend to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, Fortem Financial generally does not have the ability to supervise the

Independent Managers on a day-to-day basis.

Use of Margin

While the use of margin borrowing can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally effected using capital borrowed from a Financial Institution, which is secured by a client's holdings. Under certain circumstances, a lending Financial Institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the Financial Institution may liquidate account assets to satisfy the client's outstanding obligations, which could have extremely adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

Voting of Client Securities

Fortem Financial generally does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact the Firm at the contact information on the cover of this brochure with questions about any such issuer solicitations.

Item 7. Client Information Provided to Portfolio Managers

In this Item, Fortem Financial is required to describe the type and frequency of the information it communicates to the Independent Managers, if any, managing its clients' investment portfolios. Clients participating in the Program generally grant Fortem Financial 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. Fortem Financial 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

In this Item, Fortem Financial is required to describe any restrictions on clients' ability to contact and consult with the portfolio managers managing their investment portfolios. There are no restrictions on clients' ability to correspond with Fortem Financial. Clients can generally contact the Independent Managers managing their portfolios through Fortem Financial 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, Fortem Financial, 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

Fortem Financial 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 its management.

Other Financial Industry Activities and Affiliations

This item requires investment advisers to disclose certain financial industry activities and affiliations.

Registered Representatives of a Broker/Dealer

Certain of the Firm's Supervised Persons are registered representatives of IBD and may provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described at length in Item 5.

Licensed Insurance Agents

A number of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that Fortem Financial recommends the purchase of insurance products where its Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

Code of Ethics

Fortem Financial 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. Fortem Financial’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 Fortem Financial’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 issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

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

Account Reviews

Fortem Financial monitors client portfolios on a continuous and regular basis while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by the Firm’s investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Fortem Financial and to keep the Firm informed of any changes

thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Account Statements and 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 may also receive written or electronic reports from Fortem Financial 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 the account statements they receive from their custodian with any documents or reports they receive from Fortem Financial or an outside service provider.

Client Referrals

In the event a client is introduced to Fortem Financial by either an unaffiliated or an affiliated solicitor, the Firm may pay that solicitor a referral fee in accordance with applicable state securities laws. Unless otherwise disclosed, any such referral fee is paid solely from Fortem Financial's investment management fee and does not result in any additional charge to the client. If the client is introduced to the Firm by an unaffiliated solicitor, the solicitor is required to provide the client with Fortem Financial's written brochure(s) and a copy of a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of Fortem Financial is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Firm's written brochure(s) at the time of the solicitation.

Receipt of Economic Benefit and Brokerage Practices

Fortem Financial generally recommends that clients utilize the custody, brokerage and clearing services of the Custodians for investment management accounts. Factors which Fortem Financial considers in recommending the Custodians or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. In seeking best execution in recommending the Custodians, the Firm considers whether the transaction represents the best qualitative execution, taking into consideration the full range of a financial institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker/dealers in return for investment research products and/or services which assist Fortem Financial in its investment decision-making process. The receipt of investment research products

and/or services poses a conflict of interest because Fortem Financial does not have to produce or pay for the products or services.

Fortem Financial periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Software and Support Provided by Financial Institutions

Fortem Financial may receive without cost from the Custodians computer software and related systems support, which allow Fortem Financial to better monitor client accounts maintained at the Custodians. Fortem Financial may receive the software and related support without cost because the Firm renders investment management services to clients that maintain assets at the Custodians. The software and support is not provided in connection with securities transactions of clients (i.e., not “soft dollars”). The software and related systems support may benefit Fortem Financial, but not its clients directly. In fulfilling its duties to its clients, the Firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Fortem Financial’s receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence the Firm’s choice of broker-dealer over another that does not furnish similar software, systems support or services.

Specifically, Fortem Financial may receive the following benefits from the Custodians:

- A credit to be used toward qualifying start-up and transition costs incurred during the first two years following the Firm’s launch;
- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- 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.

Trade Aggregation

Transactions for each client generally may be effected independently, unless Fortem Financial decides to purchase or sell the same securities for several clients at approximately the same time. Fortem Financial may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm’s clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among Fortem Financial’s clients pro rata to the

purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which Fortem Financial's Supervised Persons may invest, the Firm generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Fortem Financial does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on rotating basis.

Financial Information

Fortem Financial is not required to disclose any financial information 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 of services rendered;
- 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.