

BALLAST ADVISORS WRAP PROGRAM

Sponsored by

BALLAST ADVISORS, LLC

a Registered Investment Adviser

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This brochure provides information about the qualifications and business practices of Ballast Advisors, LLC (hereinafter “Ballast Advisors” or the “Firm”). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC’s website at www.adviserinfo.sec.gov. The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

In this Item, Ballast Advisors is required to discuss any material changes that have been made to the brochure since the last annual amendment. There are no such material changes to disclose.

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Item 4. Advisory Business

The Ballast Advisors Wrap Program (the “Program”) is an investment advisory program sponsored by Ballast Advisors. 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 Ballast Advisors rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Ballast Advisors setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

Ballast Advisors has been registered as an investment adviser since January 2017 and is owned by Interim Holdings, LLC. As of the date of this filing, Ballast Advisors does not have any assets under management; however, the Firm reasonably expects to be eligible for registration with the SEC within 120 days of approval as an investment adviser.

While this brochure generally describes the business of Ballast Advisors, 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 Ballast Advisors’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”), or another broker-dealer that Ballast Advisors approves under the Program (collectively “Financial Institutions”).

After an analysis of a client’s investment needs, Ballast Advisors assists its clients in developing an appropriate strategy for managing their assets. Clients’ investment portfolios are generally managed on a discretionary or non-discretionary basis by either Ballast Advisors’s investment adviser representatives or an independent investment manager (collectively “Independent Managers”), as recommended or selected by Ballast Advisors. Ballast Advisors 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

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

- Business Planning
- Cash Flow Forecasting
- Trust and Estate Planning
- Financial Reporting
- Investment Consulting
- Insurance Planning
- Retirement Planning
- Risk Management
- Charitable Giving
- Distribution Planning
- Tax Planning and Preparation
- 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, Ballast Advisors 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. Ballast Advisors may recommend clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if clients engage Ballast Advisors 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 Ballast Advisors 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 Ballast Advisors's recommendations and/or services.

Investment and Wealth Management Services

Ballast Advisors manages client investment portfolios on a discretionary or non-discretionary basis. In addition, Ballast Advisors may provide clients with "wealth management services" which includes a broad range of comprehensive financial planning and consulting services as well as discretionary and/or non-discretionary management of investment portfolios.

Ballast Advisors 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.

Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage Ballast Advisors 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, Ballast Advisors 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.

Ballast Advisors tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Ballast Advisors 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 Ballast Advisors 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 Ballast Advisors determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

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 ("Program Fee").

This Program Fee generally varies between 50 and 200 basis points (0.50% – 2.00%), depending upon the size and composition of a client's portfolio and the type of services rendered, which may include the financial planning and consulting services mentioned above.

The annual fee is prorated and charged monthly, in advance, based upon the market value of the assets being managed by Ballast Advisors on the last day of the previous billing period. If assets are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is not adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. 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, concentrated stock positions, accommodation accounts, alternative investments, etc.), Ballast Advisors may negotiate a fee rate that differs from the range set forth above.

Fee Comparison

As referenced above, a portion of the fees paid to Ballast Advisors 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, the Firm has an incentive to engage in less transactions, or transactions that cost less to the Firm, and choose Independent Managers whose fees fall outside of the Program Fee.

Fee Discretion

Ballast Advisors, in its sole discretion, may 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 pro bono activities.

Other Charges

In addition to the advisory fees paid to Ballast Advisors, 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 include fees charged by the Independent Managers, fees attributable to alternative assets, reporting charges, margin costs, mark-ups or mark-downs priced in to fixed income products by the broker-dealer, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), fees and commission for assets not held with Schwab (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 Ballast Advisors 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 Ballast Advisors. Alternatively, clients may elect to have Ballast Advisors send a separate invoice for direct payment.

Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time, subject to Ballast Advisors'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 Ballast Advisors, subject to the usual and customary securities settlement procedures. However, Ballast Advisors designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Ballast Advisors 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

Ballast Advisors does not recommend the use of leverage in accounts, but may recommend margin on accounts where clients have borrowing needs. In these cases the fee payable to the Firm will be assessed on the assets managed by the Firm (gross of margin).

Compensation for Recommending the Program

Ballast Advisors 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

Ballast Advisors offers services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

Minimum Account Requirements

Ballast Advisors does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship. Certain Independent Managers may, however, impose more restrictive account requirements and billing practices from the Firm. In these instances, Ballast Advisors may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

Item 6. Portfolio Manager Selection and Evaluation

Clients' investment portfolios are generally managed directly by Ballast Advisors. Ballast Advisors may also utilize the discretionary investment management services of certain Independent Managers, as referenced above. Where Ballast Advisors 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

Ballast Advisors 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). The Firm may, however, have other accounts managed outside of the Program where clients pay directly for transaction charges

Portfolio Management Services

Methods of Analysis and Investment Strategies

Ballast Advisors 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.

Ballast Advisors tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Ballast Advisors 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 Ballast Advisors 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 Ballast Advisors determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

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

Voting of Client Securities

Acceptance of Proxy Voting Authority

Ballast Advisors may accept the authority to vote a client's securities (i.e., proxies) on their behalf. When Ballast Advisors accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully-described in the Firm's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in Ballast Advisors's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact Ballast Advisors to request information about how the Firm voted proxies for that client's securities or to get a copy of Ballast Advisors's Proxy Voting Policies and Procedures. A brief summary of Ballast Advisors's Proxy Voting Policies and Procedures is as follows:

- Ballast Advisors has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.
- The Proxy Voting Committee will generally vote proxies according to Ballast Advisors's then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the Proxy Voting Guidelines are followed as a general policy, certain issues are considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, the Firm devotes an appropriate amount of time and resources to monitor these changes.
- Clients cannot direct Ballast Advisors's vote on a particular solicitation but can revoke the Firm's authority to vote proxies.

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that Ballast Advisors maintains with persons having an interest in the outcome of certain votes, the Firm takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

Item 7. Client Information Provided to Portfolio Managers

In this Item, Ballast Advisors 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 Ballast Advisors 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. Ballast Advisors 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, Ballast Advisors 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 Ballast Advisors. Clients can generally contact the Independent Managers managing their portfolios through Ballast Advisors 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, Ballast Advisors, 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**

Ballast Advisors 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.

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 Ballast Advisors 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

Ballast Advisors 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. Ballast Advisors'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 Ballast Advisors'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 Ballast Advisors to request a copy of its Code of Ethics.

Account Reviews

Ballast Advisors monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on a monthly basis by the Firm's investment advisory board. Such reviews are conducted by the Firm's investment advisory board as well as the Firm's Principals. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Ballast Advisors 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 General Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from Ballast Advisors 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 Ballast Advisors or an outside service provider.

Client Referrals

The Firm does not currently provide compensation to any third-party solicitors for client referrals.

Receipt of Economic Benefit and Brokerage Practices

Ballast Advisors requires that clients utilize the custody, brokerage and clearing services of Schwab for investment management accounts in the Program.

Factors which Ballast Advisors considers in recommending Schwab or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Ballast Advisors does not consider, in selecting or recommending broker/dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

In seeking best execution in recommending Schwab, the determinative factor is not the lowest possible cost, but 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 Ballast Advisors in its investment decision-making process. The receipt of investment research products and/or services poses a conflict of interest because Ballast Advisors does not have to produce or pay for the products or services.

Ballast Advisors may receive without cost from Schwab computer software and related systems support, which allow Ballast Advisors to better monitor client accounts maintained at Schwab. Ballast Advisors may receive the software and related support without cost because the Firm renders investment management services to clients that maintain assets at Schwab. 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 Ballast Advisors, but not its clients directly. In fulfilling its duties to its clients, Ballast Advisors endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Ballast Advisors'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, Ballast Advisors may receive the following benefits from Schwab:

- 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 and Prime Brokerage

Transactions for each client generally will be effected independently, unless Ballast Advisors decides to purchase or sell the same securities for several clients at approximately the same time. Ballast Advisors may (but is not obligated to) combine or "batch" such orders to obtain best execution or to allocate equitably among the Firm's clients differences in prices 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 Ballast Advisors'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 Ballast Advisors'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. Ballast Advisors 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 a random basis.

Transactions may be cleared through other broker-dealers with whom the Firm and its custodians have entered into agreements for prime brokerage clearing services. Should an account make use of prime brokerage, the Client may be required to sign an additional agreement. Any additional fees charged for prime brokerage relationships is included in the Program Fee.

Financial Information

Ballast Advisors 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.