

## **Williams Group, LLC**

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**December 18, 2017**

### **Form ADV Part 2A Brochure**

Williams Group, LLC is a registered investment adviser. An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Williams Group, LLC. If you have any questions about the contents of this brochure, please contact us at (563) 599-2666. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Williams Group, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Material Changes - Item 2

We review and update our brochure at least annually to make sure that it remains current. The purpose of this page is to inform you of any material changes since the previous version of this brochure.

On December 18, 2017, we updated our brochure regarding the following topics.

### *Regulatory Assets Under Management*

As of June 30, 2017, Williams Group managed approximately \$432,056 in discretionary regulatory assets under management. It does not currently have non-discretionary regulatory assets under management.

### *Deduction of Advisory Fees*

If you provide written authorization to us, the advisory fee will be deducted from your account held with a non-affiliated qualified custodian. Each time the fee is debited, we will concurrently send the qualified custodian an invoice of the amount of the fee to be deducted and we will send you an invoice showing the fee to be deducted, including the formula used to calculate the fee, the amount of assets the fee is based on, and the time period covered by the fee. The qualified custodian will provide you with an account statement at least quarterly. This statement will detail all account activity, including the advisory fees deducted from your account(s). We will also receive a duplicate copy of your account statements. You are urged to review custodial account statements and our invoices for accuracy.

### *Service Provider Choices*

You are not obligated to engage us for advisory services. You always have the right to obtain investment products or services from any broker, adviser, agent, or other service provider you choose.

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#### Advisory Business - Item 4

Williams Group, LLC (hereinafter "Williams Group") is a registered investment advisor based in Dubuque, Iowa. We are a limited liability company, organized under the laws of the state of Iowa. We have been providing investment advisory services since 2017. Mary L. Patch is the sole owner, Managing Member and Chief Compliance Officer of Williams Group.

You may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm. Where required, such persons are properly registered as investment adviser representatives.

Currently, we offer the following investment advisory services, personalized to each individual Client:

- **Portfolio Management Services**
- **Pension Consulting Services**

#### ***Portfolio Management Services***

Our firm offers continuous discretionary and, in limited cases, non-discretionary portfolio management services. Discretionary portfolio management means we will make investment decisions and place buy or sell orders in your account without contacting you. These decisions are made based upon your stated investment objectives. You may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Non-discretionary portfolio management service means that we must obtain your approval prior to making any transactions in your account.

Our investment advice is tailored to meet your needs and investment objectives. If you decide to hire our firm to manage your portfolio, we will meet with you to gather your financial information, determine your goals, and decide how much risk you should take in your investments. The information we gather will help us implement an asset allocation strategy that will be specific to your goals, whether we are actively investing for you or simply providing you with advice.

Williams Group typically uses exchange traded funds and mutual funds in its portfolio management programs. However, we may provide advice on other types of securities and will construct your investment portfolio based on your individual needs and circumstances. We will monitor your portfolio's performance on a continuous basis, and rebalance the portfolio whenever necessary, as changes occur in market conditions, your financial circumstances, or both.

#### **Pension Consulting and Management Services**

Williams Group provides several pension consulting services on a stand-alone basis or in combination with other services. While the primary Clients for these services will be pension, profit sharing, and 401(k) plans, Williams Group will also offer these services, where appropriate, to businesses, individuals, trusts, estates, and charitable organizations. Pension consulting services are generally comprised of various services as agreed upon in the advisory agreement. Typically, Clients may choose to use any or all of the services offered, such as:

#### ***Investment Policy Statement Preparation (hereinafter referred to as "IPS"):***

Williams Group will meet with the Client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Williams Group then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

**Selection of Investment Vehicles**

Williams Group will review various investments, consisting of one or all of the following: individual equities, bonds, other investment products, and mutual funds (both index and managed) to determine which of these investments are appropriate to implement the Client's Investment Policy Statement. The number of investments to be recommended will be determined by the Client, based on the Client's Investment Policy Statement.

**Monitoring of Investment Performance**

Client investments will be monitored continuously based on the procedures and timing intervals outlined in the Investment Policy Statement. Although Williams Group may not be involved in any way in the purchase or sale of these investments, Williams Group will supervise the Client's portfolio and will make recommendations to the Client as market factors and the Client's needs dictate.

**Employee Communications**

For pension, profit sharing, and 401(k) plans where the individual account participant exercises control over assets in his/her own account (hereinafter "self-directed plans"), Williams Group also provides educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by Williams Group and the Client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

**Management Services**

Where contracted, Williams Group will provide discretionary investment management services and will exercise discretionary authority to select the plan investments made available to the plans' participants by selecting and maintaining the plans' investments according to the goals and investment objectives of the plan.

Other pension consulting and management services are available on request. All of our pension consulting services, whether general or customized, will be outlined in a written agreement that shows the services that will be provided and the fees that will be charged for those services.

**Assets Under Management**

As of June 30, 2017, Williams Group managed approximately \$432,056 in discretionary regulatory assets under management. It does not currently have non-discretionary regulatory assets under management.

**Fees and Compensation - Item 5**

**Portfolio Management Services**

Williams Group charges an annual fee based upon a percentage of the market value of the assets being managed. We charge the following annualized asset management fees:

<u><b>Assets Under Management</b></u>	<u><b>Annual Fee</b></u>
First \$1,000,000	1.00%
Next \$2,000,000	0.85%
Over \$3,000,000	0.45%

Portfolio management fees may be negotiable depending on factors such as the amount of assets under management, range of investments, and complexity of your financial circumstances, among others. Since this fee is negotiable, the exact fee paid by you will be clearly stated in the advisory agreement signed by you and us.

Portfolio management fees are billed quarterly, in advance, and are based on the value of your portfolio at the end of the preceding quarter. If you provide written authorization to us, the advisory fee will be deducted from your account held with a non-affiliated qualified custodian. Each time the fee is debited, we will concurrently send the qualified custodian an invoice of the amount of the fee to be deducted and we will send you an invoice showing the fee to be deducted, including the formula used to calculate the fee, the amount of assets the fee is based on, and the time period covered by the fee. The qualified custodian will provide you with an account statement at least quarterly. This statement will detail all account activity, including the advisory fees deducted from your account(s). We will also receive a duplicate copy of your account statements. You are urged to review custodial account statements and our invoices for accuracy.

Our annual fee is exclusive of, and in addition to, brokerage commissions, transaction fees, and other related costs and expenses. You are responsible for brokerage costs incurred. However, Williams Group will not receive any portion of the commissions, fees, and costs. Please see Item 12 – Brokerage Practices for further information on brokerage and transaction costs.

At the inception of investment management services, the first pay period's fees will be calculated on a pro-rata basis. The management agreement between you and Williams Group will continue in effect until either party terminates the management agreement in accordance with the terms of the management agreement. Williams Group's annual fee will be pro-rated through the date of termination. Any prepaid, unearned fees will be returned promptly.

#### **Pension Consulting and Management Services Fees**

The compensation arrangement for these services will be based on hourly fees, fixed fees, or a percentage of the plan assets. Services will be negotiated on a case-by-case basis. The exact fee paid by the Client will be clearly stated in the pension consulting agreement signed by the Client and us.

If you choose to have Williams Group's fee deducted directly from your account, you must provide authorization. The qualified custodian holding your funds and securities will provide you an account statement on at least a quarterly basis. This statement will detail account activity. Please review each statement for accuracy. Williams Group will also receive a copy of your account statements from the custodian.

#### **Additional Fees and Expenses**

The fees Williams Group charges may be negotiable based on the amount of assets under management, complexity of Client goals and objectives, and level of services rendered. As described above, the fees are charged as described and are not based on a share of capital gains of the funds of any advisory Client.

All fees paid to Williams Group for investment advisory services are separate and distinct from the fees and expenses charged to shareholders by mutual funds or exchange traded funds. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

You could invest in a mutual fund directly, without the services of Williams Group. In which case, you would not receive the services provided by Williams Group, which are designed, among other things, to assist you in determining which mutual fund or funds are most appropriate to your financial condition and objectives. Accordingly, you should review both the fees charged by the funds and the fees charged by Williams Group to fully understand the total amount of fees to be paid by you to evaluate the advisory services being provided.

#### **General Information on Advisory Services and Fees**

You are not obligated to engage us for advisory services. You always have the right to obtain investment products or services from any broker, adviser, agent, or other service provider you choose.

We do not represent, warrant, or imply that the services or methods of analysis employed by us can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

We shall never have physical custody of any Client funds or securities, as the services of a qualified and independent custodian will be used for these asset management services. We will send you an invoice for the payment of our advisory fee, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given us written authorization permitting the fees to be paid directly from your account. Each time the fee is debited, we will concurrently send the qualified custodian an invoice of the amount of the fee to be deducted and we will send you an invoice showing the fee to be deducted, including the formula used to calculate the fee, the amount of assets the fee is based on, and the time period covered by the fee. This statement will detail all account activity, including the advisory fees deducted from your account(s). Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. We will also receive a duplicate copy of your account statements. You are urged to review custodial account statements and our invoices for accuracy.

The fees charged are calculated as described above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds, or any portion of the funds of an advisory Client (15 U.S.C. §80b-5(a)(1)).

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

Performance-based fees are based on a share of capital gains on or capital appreciation of the Client's assets. Our Associated Persons and we do not accept performance-based fees.

#### Types of Clients - Item 7

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

We require a minimum of \$50,000 to establish an advisory relationship. At our sole discretion, we may waive this requirement. This requirement can be met by combining two or more accounts owned by you or related family members.

#### Methods of Analysis, Investment Strategies and Risk of Loss - Item 8

The following are different methods of analysis that we may use when providing you with investment advice:

- Fundamental Analysis – fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its future prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.

- **Technical Analysis** – technical analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall.
- **Cyclical Analysis** – cyclical analysis is a technique that looks at cycles, specifically analyzing the way prices follow certain patterns and trends.

We may use one or more of the following investment strategies when advising you on investments:

- **Long Term Purchases** – securities held for over a year.
- **Short Term Purchases** – securities held for less than a year.

The investment advice provided along with the strategies suggested by Williams Group will vary depending on your specific financial situation and goals. The below section does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for everyone. You should carefully consider whether the strategies employed would be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

**Investing in securities involves risk of loss that you should be prepared to bear.**

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for everyone. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political, and economic developments, and government, economic, or monetary policies.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.

**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

**Foreign Exchange Risk:** Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.



**Risks Associated with Investing in Equities:** Investments in equities generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Risks Associated with Investing in Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**Risks Associated with Investing in Mutual Funds:** Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. The returns on mutual funds can be reduced by the costs to manage the funds. In addition, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, other types of mutual funds do charge such fees which can also reduce returns.

**Recommendation of Particular Types of Securities**

As disclosed under the Advisory Business section in this brochure, we recommend various types of securities, since each Client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with that investment.

**Disciplinary Information - Item 9**

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 of the integrity of our management. Neither we nor our management persons have a history of material legal or disciplinary events.

**Other Financial Industry Activities or Affiliations - Item 10**

**Arrangements with Advisory Affiliates**

Ms. Patch is also the owner of Patch Retirement Plan Solutions, LLC, a consulting firm that assists advisors, consultants, and plan sponsors assess, improve, and enhance retirement plans. The services offered by and the fees charged by Patch Retirement Plan Solutions, LLC are separate and distinct from the advisory services offered by and the advisory fees charged by Williams Group. Clients are not obligated to utilize the services of Patch Retirement Solutions, LLC and/or Williams Group. It is anticipated that certain Clients of Patch Retirement Plan Solutions, LLC, may become Clients of Williams Group and vice versa. Williams Group does not share in any fees paid to Patch Retirement Solutions, LLC or vice versa, but Ms. Patch has a financial incentive to recommend the services offered through affiliated entities. Comparable services may be available through unaffiliated firms for a higher or lower fee.

Ms. Patch anticipates spending less than 10% of her professional time in her capacities with Patch Retirement Solutions, LLC. The majority of her professional time will be spent in her capacities with Williams Group.

Referral arrangements with affiliates present a conflict of interest for us because we may have a direct or indirect financial incentive to recommend an affiliate's services. While we believe that compensation charged by both firms is competitive, such compensation may be higher than fees charged by others providing the same or similar services. You are under no obligation to use the services of any affiliated or unaffiliated service provider we recommend. You may obtain comparable services and/or lower fees through other providers.

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

##### **Description of Our Code of Ethics**

Williams Group has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes Williams Group's policies and procedures developed to protect Client's interests in relation to the following topics:

- The duty at all times to place the interests of Clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics.
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of Clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of Williams Group's Code of Ethics is available upon request to Mary L. Patch, Managing Member and Chief Compliance Officer, at (563) 599-2666.

##### **Personal Trading Practices**

At times, Williams Group and/or its related persons may take positions in the same securities as Clients, which may pose a conflict of interest with Clients. Williams Group and its related persons will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to Client trades. We will not violate our fiduciary responsibilities to our Clients. Front running (trading shortly ahead of Clients) is prohibited. Should a conflict occur because of materiality (e.g., a thinly traded stock), disclosure will be made to the Client(s) at the time of trading. Incidental trading not deemed to be a conflict (e.g., a purchase or sale that is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price) would not be disclosed at the time of trading.

#### Brokerage Practices - Item 12

We recommend the brokerage and custodial services of several unaffiliated securities broker-dealers. All recommended companies are unaffiliated, qualified custodians and are registered securities broker-dealers and members of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. We believe that recommended broker-dealers/custodians provide quality execution services for you at competitive

prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers/custodians, including the value of research provided, the company's reputation, execution capabilities, commission rates, and responsiveness to our Clients and our firm. In recognition of the value of research services and additional brokerage products and services recommended broker-dealers/custodians provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Our firm participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade offers independent investment advisers services, which include custody of securities, trade execution, clearance, and settlement of transactions. Our firm receives research and benefits from TD Ameritrade through our participation in the program.

#### **Research and Other Benefits**

As disclosed above, our firm participates in TD Ameritrade's institutional customer program and we may require Clients to maintain accounts with TD Ameritrade. There is no direct link between our firm's participation in the program and the investment advice we give to our Clients, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our firm's participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to our Client accounts); the ability to have our advisory fees deducted directly from our Clients' accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to our firm by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by our firm's related persons and may also pay or reimburse expenses (including travel, lodging, meals, and entertainment expenses) for our firm's personnel to attend conferences or meetings relating to the program or to TD Ameritrade's adviser custody and brokerage services generally. Some of the products and services made available by TD Ameritrade through the program may benefit our firm, but may not benefit our Client accounts. These products or services may assist us in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by our firm or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to Clients, our firm endeavors at all times to put the interests of our Clients first. You should be aware, however, that our firm's receipt of economic benefits in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

#### **iRebal Discounts**

Williams Group considers a number of factors in selecting brokers and custodians it recommends to its clients, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided. In recommending TD Ameritrade as the broker and custodian for certain of its current and future client accounts, Williams Group takes into consideration its arrangement with TD Ameritrade as to obtaining price discounts for TD Ameritrade's automatic portfolio rebalancing service for advisors known as "iRebal."

The standard iRebal annual license fee applicable to Williams Group is \$20,000. That fee is subject to specified reductions (and even complete waiver) if specified amounts of client taxable assets are either already on the TD Ameritrade platform or are committed to be placed on it. Specified taxable client assets either maintained on or committed to the TD Ameritrade platform will bring fee reductions of up to \$20,000 per year for each of as many as three years or more.

The non-taxable assets excluded from the maintenance and commitment levels described above are those that constitute "plan assets" of plans subject to Title 1 of the Employee Retirement Income Security Act of 1974, amended, or of plans as defined in Section 4975 of the Internal Revenue Code (which include IRAs).

If Williams Group does not maintain the relevant level of taxable assets on the TD Ameritrade platform, Williams Group may be required to make a penalty fee payment to TD Ameritrade calculated based on the shortfall.

Although Williams Group believes that the products and services offered by TD Ameritrade are competitive in the market place for similar services offered by other broker-dealers or custodians, the arrangement with TD Ameritrade as to the iRebal service may affect Williams Group's independent judgment in selecting or maintaining TD Ameritrade as the broker or custodian for client accounts. Williams Group's use of this software may present a conflict of interest.

We may also utilize research and other products or services provided to us free of charge by other recommended broker-dealers. Receipt of such research and other products or services is not dependent on Client securities transactions and is not paid for with "soft dollars." However, we do receive some economic benefit since we do not pay for such research and other products or services.

**Brokerage for Client Referrals**

We do not receive Client referrals from broker-dealers and custodians with which we have an institutional advisory arrangement. We do not receive other benefits from a broker-dealer in exchange for Client referrals.

**Directed Brokerage**

We routinely recommend that you direct our firm to execute transactions through TD Ameritrade. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their Clients to direct brokerage.

In limited circumstances, and at our discretion, some Clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other Client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

**Trade Aggregation**

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading") whenever possible. We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. (If you participate in our Wrap Fee Program, you do not pay separate transaction fees.) Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

In rare instances, such as partial fills or limited shares of thinly traded or illiquid stocks, it may be necessary to place block trades for only small groups of Clients over a period of time. In allocating such orders among Client accounts, we will first enter orders for Clients whose last name begin with the letter A and proceed with the

alphabet. For the next transaction, orders will be placed for Clients whose last names begin with the letter B and so on until we have completed a rotation of the alphabet. Subsequent transactions will then be entered, first, for Clients whose last name begin with the letter A and proceed again through the alphabet, after which the rotation will continue. New Clients will wait until a complete alphabetic rotation has taken place before being placed in alphabetic order for participation.

We combine multiple orders for shares of the same securities purchased for discretionary accounts; however, we do not combine orders for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than Clients who enter into discretionary arrangements with our firm.

We do not combine multiple orders for shares of the same mutual funds purchased for advisory accounts we manage because mutual funds do not trade in blocks.

#### Review of Accounts - Item 13

##### **Portfolio Management Account Reviews**

Williams Group monitors Client account holdings on a continuous basis and conducts formal account reviews at least annually. Informal reviews are conducted at least quarterly. Accounts are reviewed by Mary L. Patch, Managing Member and Chief Compliance Officer, or by the Advisory Representative assigned to the account.

Additional reviews may be offered in certain circumstances. Triggering factors that may stimulate additional reviews include, but are not limited to, changes in economic conditions, changes in the Client's financial situation or investment objectives, or upon Client request.

Clients will receive statements directly from their account custodian(s) at least quarterly. Williams Group will also provide written performance reports at regular intervals as agreed upon in the Client agreement.

#### Client Referrals and Other Compensation - Item 14

As disclosed under Item 12 above, Williams Group participates in TD Ameritrade's institutional customer program and Williams Group may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Williams Group's participation in the program and the investment advice it gives to its Clients, although Williams Group receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Williams Group participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Williams Group by third party vendors. TD Ameritrade may also

have paid for business consulting and professional services received by Williams Group's related persons.

Some of the products and services made available by TD Ameritrade through the program may benefit Williams Group but may not benefit its Client accounts. These products or services may assist Williams Group in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Williams Group manage and further develop its business enterprise. The benefits received by Williams Group or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to Clients, Williams Group endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits by Williams Group or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Williams Group's choice of TD Ameritrade for custody and brokerage services.

Williams Group and its Associated Persons do not compensate, directly or indirectly, any person or entity, who is not our supervised person, for Client referrals. Williams Group and its Associated Persons do not receive compensation, directly or indirectly, from any person or entity for Client referrals.

#### Custody - Item 15

Williams Group is deemed to have custody of Client funds solely because of the fee deduction authority granted by the Client in the Advisory Agreement. If you provide written authorization to us, the advisory fee will be deducted from your account held with a non-affiliated qualified custodian. Each time the fee is debited, we will concurrently send the qualified custodian an invoice of the amount of the fee to be deducted and we will send you an invoice showing the fee to be deducted, including the formula used to calculate the fee, the amount of assets the fee is based on, and the time period covered by the fee. The qualified custodian will provide you with an account statement at least quarterly. This statement will detail all account activity, including the advisory fees deducted from your account(s). We will also receive a duplicate copy of your account statements.

The custodian will not verify the calculation of the advisory fees. You will receive account statements at least quarterly from the broker-dealer or other qualified custodian. You are urged to review custodial account statements and our invoices for accuracy.

#### Investment Discretion - Item 16

Williams Group offers Portfolio Management Services on a discretionary basis. Clients must grant discretionary authority in the management agreement. Discretionary authority extends to the types and amounts of securities to be bought and sold in Client accounts. Apart from the ability to withdraw management fees, Williams Group does not have the ability to withdraw funds or securities from the Client's account. The Client provides Williams Group discretionary authority via a limited power of attorney in the management agreement and in the contract between the Client and the custodian.

If you wish, you may limit our discretionary authority, for example, by setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

If you have engaged us for non-discretionary portfolio management services, Williams Group will obtain your approval prior to executing all transactions in your account(s).

#### Voting Client Securities - Item 17

##### **Proxy Voting**

Where agreed upon in writing, Williams Group will determine how to vote proxies based on its reasonable judgment that the vote will produce favorable financial results for its Clients. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders; proxy votes generally will be cast against proposals having the opposite effect. However, Williams Group will consider both sides of each proxy issue. Consistent with Williams Group's paramount commitment to the financial investment goals of its Clients, social considerations will not be considered absent contrary instructions by a Client.

Conflicts of interest between Williams Group or a principal of the firm and the firm's Clients in respect of a proxy issue conceivably may arise, for example, from personal or professional relationships with a company or with the directors, candidates for director, or senior executives of a company that is the issuer of Client securities.

If the Chief Compliance Officer determines that a material conflict of interest exists, the following procedures shall be followed:

- (a) Williams Group may disclose the existence and nature of the conflict to the Client(s) owning the Client securities, and seek directions on how to vote the proxies;
- (b) Williams Group may abstain from voting, particularly if there are conflicting Client interests (for example, where Client accounts hold different Client securities in a competitive merger situation); or
- (c) Williams Group may follow the recommendations of an independent proxy voting service in voting the proxies.

Williams Group keeps certain records required by applicable law in connection with its proxy voting activities for Clients and it shall provide proxy-voting information to Clients upon their written or oral request. A copy of Williams Group's proxy-voting policies is available to Clients upon request.

#### Financial Information - Item 18

We are required in this Item to provide you with certain financial information or disclosures about Williams Group's, financial condition. Williams Group does not require the prepayment of over \$1,200, six or more months in advance. Additionally, Williams Group has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and it has not been the subject of a bankruptcy proceeding.

#### Requirements of State-Registered Advisers - Item 19

**Principal Executive Officers and Management Persons**

Mary L. Patch, QKA, CPFA, is our sole Principal Executive Officer. Please refer to Item 2 of Form ADV Part 2B brochure supplement for information regarding Ms. Patch's education and business background.

**Outside Business Activities**

Please see Item 10 – Other Financial Industry Activities and Affiliations above for information about our management personnel's outside business activities.

**Performance Based Fees**

Performance based fees are based on a share of capital gains on or capital appreciation of the client's assets. As stated in Item 6 above, we and our Associated Persons do not accept performance based fees.

**Disciplinary Information**

Please see Item 9 – Disciplinary Information above for information about our management personnel.

**Other Relationships or Arrangements With Issuers of Securities**

Our firm and our Associated Persons do not have any relationships or arrangements with any issuer of securities.

#### Miscellaneous

**Trade Error Correction Procedures**

On infrequent occasions, an error may be made in a Client account. For example, a security may be erroneously purchased for the account instead of sold. In these situations, the firm generally seeks to rectify the error by placing the Client account in a similar position as it would have been had there been no error. Depending on the circumstances, various corrective steps may be taken, including among others canceling the trade or adjusting an allocation. Any losses resulting from error correction will be placed in Williams Group's error correction account. Gains will be credited to the Client.

For accounts held at TD Ameritrade, if a profit results from correcting a trade error, we will not retain the profit as all net gains (positive error account balances resulting from trade corrections) will be moved to a TD Ameritrade error account and subsequently donated to charity.

**Confidentiality**

Williams Group views protecting its customers' private information as a top priority and, pursuant to the requirements of the Gramm-Leach-Bliley Act, it has instituted policies and procedures to ensure that customer information is kept private and secure. Williams Group does not disclose any nonpublic personal information about its customers or former customers to any nonaffiliated third parties, except as permitted by law. In the course of servicing a Client account, Williams Group may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers.

Williams Group restricts internal access to nonpublic personal information about its Clients to those employees who need to know that information in order to provide products or services to the Client. Williams Group maintains physical and procedural safeguards that comply with state and federal standards to guard a Client's nonpublic personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be Williams Group's policy never to sell information about current or former customers or their accounts to anyone. It is also Williams Group's policy not to share information unless required to process a



transaction, at the request of the Client, or as required by law.

A copy of Williams Group's privacy policy notice will be provided to each Client prior to, or contemporaneously with, the execution of the agreement(s) for services. Thereafter, Williams Group will deliver a copy of the current privacy policy notice to its Clients upon any material changes to its privacy policies and practices. If you have any questions regarding your privacy, please contact Mary L. Patch, Managing Member and Chief Compliance Officer, at (563) 599-2666.