



Registered Investment Advisor

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FORM ADV PART 2A

CLIENT BROCHURE

August 2018

ITEM 1: COVER PAGE

This brochure ("Brochure") provides information about the qualifications and business practices of Sprout Financial, LLC ("Sprout" or the "Company"), a registered investment adviser. The information in this brochure has not been approved or verified by the United State Securities and Exchange Commission (SEC) or by any state securities authority. We are a registered investment adviser. Registration of an adviser does not imply any level of skill or training.

If you have any questions about the contents of this Brochure, please contact us at 855-608-9424 or support@SproutAdvisers.com.

ITEM 2: SUMMARY OF MATERIAL CHANGES

Full Brochure Available

Our brochure may be requested, free of charge, by contacting Sprout, at 855-608-9424 or support@SproutAdvisers.com. Additional information about us is also available via the SEC's web site <http://www.adviserinfo.sec.gov>. The SEC's web site also provides information about any persons affiliated with us who are registered, or are required to be registered, as one of our investment adviser representatives of our firm.

Material Changes Since Last Update

This is the third brochure filed since the original filing in April 2018. Changes include the addition of custodial language and additional clarification of fees charged on assets under management in item 5. Folio FN was added as a Custodian under Item 12. Item 16 was updated to reflect that Sprout Financial may maintain limited discretionary authority over managed accounts, with appropriate customer authorization.

If you have any questions or would like to discuss our services, please do not hesitate to contact our office.

Sincerely,

Tyler Hansen

Director and IAR

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ITEM 4: ADVISORY BUSINESS

Description of the Advisory Firm

Sprout Financial, LLC ("Sprout," "we," "our," or "us") is a privately-owned, Utah limited liability company and has been in business since May 2017. The principal owners are Joshua Carr and Edward Stewart.

Types of Advisory Services

Sprout offers fee-based Investment Management Services, Financial Planning and General Financial Consultation services to individuals, couples, families, high net worth individuals, retirement plans, trusts, estates, charitable organizations corporations and other businesses.

The term "fee-based" means that Sprout Financial is an independent Registered Investment Adviser that is compensated in the form of advisory fees paid by investors.

Sprout Financial offers a complimentary general consultation to discuss services available, to give a prospective client time to review all services provided. Services begin only after the Client and Adviser have fully executed the proper client agreements.

Prior to engaging us to provide our services you will be required to enter into a written agreement with us setting forth the terms and conditions under which we will provide our services. Our specific services, terms of our compensation, method of payment, and other important information are explained in more detail below and can also be found on Part 1 of Sprout's Form ADV, which is available online at <http://www.adviserinfo.sec.gov>.

After the formal engagement, and depending on the scope of the engagement, the advisor and client will share in a data gathering process and discovery process in an effort to determine the client's needs goals, intentions time horizon, risk tolerance and investment objectives, based upon the information provided. The client and Adviser will complete a risk assessment, investment policy statements or similar documents, depending on the nature of the services to be provided.

Investment Management Services are ongoing in nature and may include other client-initiated consultations pertaining to general financial issues or as the client may request. Financial Planning and Consultation Services are project-based or hourly in nature and terminate upon the conclusion of services.

Investment Management Services involve ongoing and continuous portfolio management services

Sprout Financial focuses on providing individualized management services that are tailored to meet the stated needs and objectives of the client. In each case, the client's stated needs and goals are taken into consideration and documented in the investment policy statement or similar strategy documentation. Sprout Financial's goal is to construct a diversified portfolio of investment recommendations that are within its realm of expertise and developed with the client's participation. In conjunction with these services, Sprout Financial may recommend a suitable unaffiliated investment management platform.

After an analysis and data-gathering process, and depending upon the nature of services desired, the Adviser may engage all or some of the following activities:

- * Existing portfolio review and analysis;
- * Development of a customized investment policy with the client's participation;
- * Preparation of asset allocation recommendations;
- * Recommendation of specific investments;
- * Recommendation of unaffiliated Independent Managers;
- * Implementation of an investment plan;
- * Ongoing discretionary or non-discretionary management of the client's investment portfolio.

Strategies range from conservative to aggressive in nature and invest in a variety of investment types. Sprout Financial can also manage portfolios that utilize option strategies to generate income (covered call strategies) while others will be actively managed equity and fixed income portfolios based on the economics of the financial markets, essentially allocating portfolio holdings based off the demand and supply of the selected investment options. Investments may include stocks, mutual funds, exchange traded funds and other assets, as outlined in the client's designed investment strategies. Sprout Financial does not recommend wrap fee programs nor is the Adviser engaged as a wrap fee program sponsor or manager.

Sprout Financial can tailor services to focus only on certain portfolio components, depending upon the client's wishes and/or the nature of the engagement. However, where Investment Management Services or information are limited, clients must understand that comprehensive investment needs and or objectives may not be fully considered due to the client's option to receive limited services, the lack of information received, restraints placed on the Adviser's services and/or lack client disclosure.

As disclosed in Item 10 of this Brochure, Sprout Financial may recommend the services of one or more unaffiliated Independent Managers who may offer investment programs designed to help meet our clients' stated needs and objectives. The factors Sprout Financial considers in its review of Independent Managers includes but is not limited to: Services, fees, reputation, performance, financial strength, management, price, reporting capabilities, client's financial situation, client's stated goals, needs and investment objectives. After its review, Sprout Financial will present the client with one or more recommendations. At the time of any such recommendation(s), Sprout Financial will provide a copy of the Independent Manager's ADV 2 Brochure and compensation disclosure. The services and fees associated with the investment programs, including any portion of investment management fees payable to Sprout Financial for its direct management services will be clearly outlined in the Independent Manager's service agreement.

Where Sprout Financial is contracted to provide ongoing investment management services in conjunction with the services of an Independent Manager, Sprout Financial will maintain its role as primary Adviser to our client and will monitor the Independent Manager's performance and communicate directly with the Independent Manager on such issues as the management of the client's assets and any changes in the client's investment directives or financial circumstances as the client reports to Sprout Financial throughout the engagement and during client reviews. The selected Independent Manager is solely responsible to the client to fulfill its contracted investment management services, best execution, account-custodian reconciliation, trade error resolution and portfolio reporting (if offered) within their respective programs.

Once a managed portfolio is implemented or transferred for services, Sprout Financial provides continuous monitoring, recommendations and investment advice as outlined in the Investment Management Agreement. In each case, the Adviser manages the portfolio based upon each client's unique needs and directives provided. The ongoing services will be based upon the client's stated needs and objectives and may therefore services may vary in terms or strategy and/or complexity.

In providing ongoing Investment Management Services, Sprout Financial will manage investor funds in accordance with the client's investment policy statement (or similar strategy documentation) and will remain available to the client for ongoing advice and recommendations.

Clients engaging Investment Management Services should expect to play an active role. The Adviser requires the client to participate in the development of the investment policy statement (or similar document) and provide disclosure of material information that is critical to the delivery of services. **In addition, Sprout Financial requests that clients review and update their financial situation and investment policy no less than annually.**

During the course of the engagement, clients may call the office any time during business hours to discuss their financial concerns, their portfolio and to ask questions. Clients must immediately report changes in their financial situation to Sprout Financial in order to provide the Adviser with the opportunity to review the portfolio to ensure it continues to be structured to help meet the client's stated needs and objectives.

Sprout Financial is not a broker/dealer or custodian and therefore does not execute transactions or hold client

funds and securities. As disclosed in Item 12 of this Brochure, Sprout Financial recommends unaffiliated qualified custodial firms to clients (such as Folio FN, TD Ameritrade and similar firms). The custodians provide clients with access to their institutional trading and custody services

A client may desire to place or keep certain assets within their account(s) that are selected by the client and are not the subject of investment advice by Sprout Financial. These are “self-directed” assets. Sprout Financial will not consult or provide due diligence services for these investments unless specifically agreed to in writing. Therefore, Sprout Financial shall have no responsibility to review or manage “self-directed” assets in client’s account(s) and will have no liability to client for any loss relating to these assets.

Services and investment recommendations in connection to assets invested in a corporate retirement plans are limited to those offered within the plan and via the plan’s contracted service providers. Sprout Financial acknowledges its fiduciary duty to each of its clients. The Adviser recognizes that a client’s employer-sponsored qualified plans are most often the client’s most valuable assets. Sprout Financial seeks to help clients identify an optimal investment strategy based on information clients disclose to the Adviser.

If services desired go outside the scope of Investment Management Services during the engagement, Sprout Financial may be available to provide Consultation and/or Financial Planning Services. In such cases, the Adviser will request a new or amended Client Agreement and additional fees will apply. Sprout Financial will not engage in additional services without the client’s direction.

Clients requiring assistance on issues relating to matters outside of investment advisory topics should consult their personal tax adviser, legal counsel, or other professionals for expert opinions. Any professional referrals (i.e., insurance firms, accountants, attorneys, etc.) are solely a courtesy. Sprout Financial does not accept direct or indirect compensation as a result of referrals. Clients are welcome but are never under any obligation to act upon any of the recommendations made by the Adviser or to engage the services of any such recommended service firm or professional, including the Adviser itself.

Financial Planning / Consultation Services involve hourly or project-based services

Sprout Financials’ Financial Planning Services provide assistance to clients to evaluate their financial situation, goals and risk tolerance. Through a series of personal interviews and the use of questionnaires, Sprout Financial will collect pertinent data, identify goals, objectives, financial problems, potential solutions, prepare specific recommendations and implement recommendations. Sprout Financial offer the following financial planning modules:

- Retirement Income Planning; Asset Allocation and Investment Selection;
- Survivor Needs (including existing life policy and annuity contract reviews);
- Income Tax Analysis;
- Estate Analysis;
- IRA Planning (including stretch IRA analysis and beneficiary reviews);
- Business Continuation and Valuations;
- College Funding Analysis; and Long-term Care Needs and Analysis

When a client does not desire modular planning, SPROUT FINANCIAL offers customized planning tailored to the needs of the client. At the conclusion of the Financial Planning Service, SPROUT FINANCIAL shall present the client with a written financial plan.

Clients may also be interested in SPROUT FINANCIAL’s general Consultation Services. SPROUT FINANCIAL is available to provide assistance via a Consultation engagement to discuss topics of interest to the client. Topics could include but are not limited to: Investment research, asset allocation, goal setting, general retirement planning issues, college funding, insurance/401(k) account reviews and other financial topics of interest to the client. Consultation Services do not involve comprehensive financial planning or management of assets.

Consultation Services are not ongoing and terminate upon the delivery of the agreed upon services.

When Financial Planning and/or Consultation Services only focus on certain areas of client interests, needs or are otherwise limited in scope, clients must understand that a client's overall financial and investment needs, liabilities and objectives may not be considered as a result of time and/or service restraints placed on the Adviser's services or due to limited disclosure of information from the client. When providing advice on investments within retirement plans, the advice and any recommendations are limited to plan offerings.

Clients requiring assistance on issues relating to matters outside of financial and investment advisory topics should consult their personal tax adviser, legal counsel, or other professionals for expert opinions.

The advice provided by SPROUT FINANCIAL during Financial Planning and/or Consultation engagements may include recommendations for updates and reviews. Clients are welcome, but are never obligated, to retain the Adviser for additional or follow-up services via a new or amended client agreement.

Financial Planning and/or Consultation Services for non-investment management clients will not include portfolio monitoring, investment reviews, investment management and implementation of advice and/or recommendations pertaining to securities (for non-investment management clients) or non- securities matters (pertains to all clients). In these cases, the client is welcome to implement advice / recommendations in whole or in part, entirely at the client's discretion via the service provider(s) of the client's choice. Clients are also welcome to consider engaging SPROUT FINANCIAL for Investment Management Services via a new and separate Client Agreement.

Client Tailored Services and Client Imposed Restrictions

Sprout Financial focuses on providing individualized services. The Adviser can tailor services to focus only on certain portfolio and/or planning or consulting components, depending upon the client's wishes and/or the nature of the engagement. Clients may also impose reasonable restrictions on investing in certain securities, types of securities, industry sectors or asset classes. These restrictions must be in writing. However, Sprout reserves the right to not accept and/or terminate the advisory relationship if we feel that the client's-imposed restrictions would limit or prevent us from maintaining the client's investment strategy. Additionally, if the client's-imposed restrictions would require Sprout to deviate from its standard suite of services; the firm reserves the right to end the relationship.

Wrap Fee Programs

Sprout Financial does not recommend wrap fee programs nor is the Adviser engaged as a wrap fee program manager or sponsor.

Assets Under Management

As of August 2018, Sprout manages approximately \$22 million in assets on a non-discretionary basis.

ITEM 5: FEES AND COMPENSATION

Sprout Financial operates as a fee-based advisory firm. We establish our fee arrangements with you in our written agreement with you.

Fee Schedule for Advisory Services

Sprout Financial is compensated for Investment Management Services only in the form of a percentage of assets under management at an annual rate of .5% to 1.5% annually as set forth in the client agreement. Fees are billed either monthly or quarterly in advance or arrears, as set forth in the client agreement. The fee is calculated by

multiplying the Adviser's annual rate by the portfolio's market value at the end of the billing period (as determined by the client's custodian) and dividing the figure by 12 (for monthly billing) or 4 (for quarterly billing). If an unaffiliated manager program is utilized, the management fee attributed to the program's services (as set forth in the program's management agreement) is billed separately and is in addition to SPROUT FINANCIAL's fees. In addition Sprout Financial may set up ACH billing with the client directly. The direct billing on these accounts will be monthly, in arrears, based on the agreed upon management fee.

Where services are initiated at any time other than the beginning of a month or a quarter (depending upon the agreed upon billing cycle), SPROUT FINANCIAL's fee is pro-rated.

SPROUT FINANCIAL reserves the right to negotiate its Investment Management fees, depending upon the nature and scope of the engagement, complexity of services, additional time to be incurred, for pre-existing relationships, or other special situations and at the discretion of the Adviser.

It is important to note that recommended Independent Managers may charge management fees are higher than what may be charged by other investment advisers for similar services. This will be the case when the Independent Manager's strategies (such as options trading) are more laborious than simply purchasing a group of stocks, mutual funds, or ETFs on an omnibus platform. Clients should note that lower fees for similar investment management services may be available from other sources.

Investment Management fees do not include custodial fees, service fees and/or transaction fees that may be levied by various custodians, broker-dealers, mutual funds and insurance companies.

SPROUT FINANCIAL's Financial Planning and Consultation Services are invoiced in arrears at the following rates:

1) \$250 per hour; or

2) When a client selects modular financial planning, SPROUT FINANCIAL's fee is \$500 per module. The number of hours involved in a Consultation Service or comprehensive Planning project will vary, depending upon the complexity of the financial situation, the number of client accounts included in the plan, the type of preparation and research required, and financial areas to be covered by the plan. All fees for planning services are agreed upon in advance in writing.

Should the client's condition change during the course of services such that new or reformulated advice, recommendations or research is required, additional fees may apply. The Adviser will not engage in additional services that result in added fees without a new or modified client agreement (approved by the client).

All financial planning services provided will be completed within six (6) months of the acceptance date of the financial planning agreement. The financial planning fees are not negotiable. Clients should note that lower fees for similar services may be available from other sources.

At its sole discretion, SPROUT FINANCIAL may waive Financial Planning or Consultation Service fees for clients receiving Investment Management Services from SPROUT FINANCIAL and/or a recommended Independent Manager.

PAYMENT OF ADVISORY FEES

Investment Management fees are paid via an authorized debit to the client's account held at a qualified custodial. If a client has more than one account, the client may choose to have all fees deducted from a particular account. Where an Independent Manager has been contracted for services, the Investment Manager will coordinate the management fee deductions and billings.

SPROUT FINANCIAL adheres to the following criteria in accordance with the Utah Securities Act when payment is made via a qualified custodian: (1) The client provides written authorization permitting the fees to be paid directly from the client's account held by the client's independent and qualified custodian and the authorization is limited to withdrawing contractually agreed upon investment advisory fees; (2) The client will directly receive regular (monthly or quarterly) reports directly from the qualified custodian which reflect the Adviser's fee

deduction; (3) The frequency of Adviser fee withdrawals shall be specified in the written authorization / agreement; (4) The custodian of the account shall be advised in writing of the limitation on the Adviser's access to the account; (5) The client shall be able to terminate the written billing authorization or agreement at any time.

Since custodians do not verify the accuracy of the Adviser fee calculation, clients should review custodial statements and promptly contact SPROUT FINANCIAL if any questions should arise. Clients must ensure they are receiving account statements directly from their custodian and promptly report address changes to both SPROUT FINANCIAL and their custodian. In the event a client finds that custodial account statements are not being received, they should immediately notify their custodian and SPROUT FINANCIAL.

Financial Planning and Consultation Services fees are paid directly to the Adviser. SPROUT FINANCIAL does not collect fees in advance and therefore will not accept fees of \$500 or more per client and six or more months in advance of services (as this type of fee paid in advance constitutes custody of client funds).

FEES ASSOCIATED WITH INVESTING

The investment advisory fees disclosed herein represent fees for SPROUT FINANCIAL's services only. Clients are responsible for the payment of all third-party fees associated with investing. Clients may pay transaction and brokerage commission to their broker/dealer or other service providers ("Financial Institution[s]" or Independent Managers) as well as any fees associated with their particular accounts (e.g., account opening, maintenance, transfer, termination, wire transfer, retirement plan, trust fees, and all such applicable third party fees, deferred sales charges, oddlot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. If clients engage the services of other advisers, they can expect to incur fees from their other services providers.

All fees paid to SPROUT FINANCIAL for advisory services are separate from the fees and expenses charged to shareholders of ETF's or mutual fund shares offered by mutual fund companies. If a mutual fund previously purchased by or selected by a client should impose a sales charge, a client may pay an initial or deferred sales charge. SPROUT FINANCIAL does not receive any portion of these investment-related fees. Such charges, fees and commissions are exclusive of and in addition to SPROUT FINANCIAL's fees. A complete explanation of the expenses charged by a mutual fund or ETF is contained in the respective mutual fund prospectus. Clients are encouraged to read each prospectus and securities offering documents.

PRE-PAYMENT OF FEES

SPROUT FINANCIAL does not accept fees of \$500 per client and six or more months in advance of services.

As described at Item 5 SPROUT FINANCIAL's fees for Investment Management Services are invoiced monthly or quarterly in advance or arrears, depending upon the investment program utilized. Investment Management Services are ongoing until either party receives notice of termination. Either party may immediately terminate services with written notice to the other. Where services are terminated prior to the end of a billing period, the will only invoice for services up until the effective date of termination.

Where services are invoiced in arrears, SPROUT FINANCIAL does not offer refunds as services have already been performed. Where services are invoiced in advance, SPROUT FINANCIAL will promptly return a pro-rated refund of unearned fees.

SPROUT FINANCIAL's Financial Planning and Consultation Services are invoiced in arrears. Fees are invoiced at the conclusion of services.

For all clients, if SPROUT FINANCIAL's Form ADV 2A&B Brochures are not delivered at least 48 hours prior to engagement, clients are welcome to terminate services within 5 days of signing the SPROUT FINANCIAL Client Agreement without cost or penalty.

OTHER COMPENSATION FOR THE SALE OF SECURITIES OR OTHER INVESTMENT PRODUCTS TO CLIENTS

SPROUT FINANCIAL is a fee-based Registered Investment Adviser. SPROUT FINANCIAL does not accept any compensation or commission for the recommendation of securities products including asset-based sales charges or service fees from the sale of mutual funds. SPROUT FINANCIAL is not an insurance agency and does not accept insurance commissions.

Tyler Hansen and appropriately licensed Adviser Representatives of SPROUT FINANCIAL are independently licensed insurance agents appointed with various insurance companies. In this capacity, the licensed personnel may recommend, on a fully disclosed commission basis, the purchase of certain insurance products. The time spent on this outside business activity may vary throughout the year but may entail approximately 20% of the Adviser Representatives' time.

Insurance products may be recommended to clients to minimize clients' exposure to identified risks and to meet personal and/or business needs. Clients are welcome but are never obligated to purchase insurance products recommended or utilize any company that may be recommended. Clients are always welcome to utilize the insurance provider of their choice and can implement recommendations in whole or in part, entirely at their discretion. The recommendation and subsequent transactions in insurance products or services are not provided by SPROUT FINANCIAL. The receipt of commissions for the placement of insurance products represents a conflict of interest between the licensed Adviser Representative and SPROUT FINANCIAL's clients. SPROUT FINANCIAL will ensure clients receive commission disclosure in writing prior to the purchase of insurance and will obtain specific consent from the Client before arranging for the purchase of any insurance product. SPROUT FINANCIAL further addresses this conflict of interest by requiring that its Adviser Representatives act as fiduciaries, placing the best interest of their clients first.

Tyler Hansen of SPROUT FINANCIAL, is a licensed mortgage broker with Security Home Mortgage, LLC, an unaffiliated service firm. The time spent on this outside business activity may vary throughout the year but generally will involve less than 5% of his time. It is possible that clients of SPROUT FINANCIAL may be casually introduced to the mortgage services available but are never under any obligation to utilize these services.

TERMINATION OF WEALTH MANAGEMENT AND ADVISORY SERVICES

If the Wealth Management services are terminated, fees will be prorated through the date of termination. Clients are responsible for any fees earned up to the date of the termination within the quarter terminated. A pro rata portion of any prepaid, unearned fees will be promptly returned no later than 14 days following receipt of the termination notice.

Termination of our agreement shall not affect liabilities or obligations incurred from transactions initiated under our agreement prior to the termination date, such as the purchase of investments by us for your account. You are responsible for any cost incurred in transferring assets from your account to a different account and any management fees accrued and unpaid at the time of termination. After the termination date, we shall have no further duties or obligations to you under our agreement.

FEES DIRECTLY WITHDRAWN FROM CLIENT ACCOUNTS

You may elect to be billed directly for our fees or you may authorize us to debit our fees from your accounts. Generally, our clients authorize us under our agreement to directly deduct our fees from their account. If you provide us such authorization, at the same time we submit our request for payment to your custodian, you will be sent a notice from us, in writing, stating the exact amount of the withdrawal and the specific manner or basis on which we calculated our fee. In addition, the custodian's periodic statements will show each fee deduction from your account. You may withdraw this authorization for direct billing of these fees at any time by notifying us or your custodian in writing. If we bill you directly, our fees are due within 30 days of the date of each invoice. If you

establish a self-directed IRA with checkbook control, clients generally authorize us to request payment from directly from the checking account via ACH transfer.

ITEM 6: PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT

Sprout does not charge performance-based fees that are based on a share of capital gains on, or capital appreciation of, the assets of a client.

ITEM 7: TYPES OF CLIENTS

Sprout generally provides financial advice and/or Wealth Management services to individuals and high-net-worth individuals. We do not require minimums as to income, assets, net worth, length of engagement, or other conditions for engaging our services. Sprout makes it possible for retail investors, as well as retirement accounts and trusts, to access its service with much lower account minimums than normally available in the industry.

ITEM 8: METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF INVESTMENT LOSS

METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

SPROUT FINANCIAL believes each client presents a unique set of goals, values, interests, objectives, time horizons and challenges. The Adviser seeks to provide individualized attention and services to each investor. SPROUT FINANCIAL can offer advisory services for portfolios ranging from conservative to aggressive; each designed to meet the varying needs of and within the direction set forth by the investors.

SPROUT FINANCIAL clients participate in interviews and data gathering activities in an effort to help determine an investment plan or portfolio to best fit each client's stated individual situation. Client participation and the client's delivery of accurate and complete information are critical to the Adviser's process. In performing its services, the Adviser shall not be required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information.

SPROUT FINANCIAL personnel may recommend the services of SPROUT FINANCIAL, its Adviser Representatives in their individual capacities as investment managers, and in their other professional capacities through affiliated firms as described in Item 10 of this Brochure.

SPROUT FINANCIAL personnel may also recommend the services of unaffiliated Investment Managers as described herein. Clients are welcome but are never obligated to act upon any of the recommendations made by the Adviser or to engage the services of any such recommended service firm or professional, including the Adviser itself. It is important to review the Independent Managers' investment strategies as disclosed in each firm's ADV 2A Brochure.

After working with the client to identify both short-term and long-term financial goals, a strategic investment framework can be tailored to address these objectives and/or SPROUT FINANCIAL will seek to match the client with an appropriate Independent Manager's program.

Note: Despite the types of analysis performed by SPROUT FINANCIAL, any investment in securities carries market risk and investors may lose their principal investment.

Investment concepts are based upon a variety of sources including internal research, screening software, and publicly available materials. Third-party research is also utilized by the Adviser. Funds are researched and monitored internally with a process that emphasizes investment philosophy, management quality, and overall expense ratios.

Prospective investments are always considered in relation to the structure of the overall portfolio and purchased only when the Adviser feels such purchase improves the portfolio's overall risk-adjusted expected return potential. The Adviser normally sells investments when conditions warrant based on the Adviser's analysis rather than in accordance with a preset timetable. Changing conditions in the client's financial life or significant changes in market conditions may warrant a collaborative effort with the client to modify their strategic investment framework, which consequently may also trigger changes to investment holdings within the portfolio.

Portfolio holdings or recommendations are generally judged by (managers' or investments') experience, track record and performance of like-kind investments. The Adviser will actively monitor and review each portfolio.

Portfolio additions may be in cash or securities provided that the Adviser reserves the right to decline to accept particular securities into the client's account. Clients should be aware of the options and ramifications of transferring securities and the Adviser can provide assistance if it receives pre-notification of the client's intentions. When transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge), other investment-related fees and possibly tax ramifications.

While the Adviser makes every effort to consider tax consequences, the sale of investments may cause taxable gain(s) or loss(as) to the client. Clients are welcome to consult their independent personal tax Adviser about tax consequences resulting from transactions or any particular investment held in their account.

Clients may withdraw account assets on notice to the Adviser, subject to the usual and customary securities settlement procedures. The Adviser generally designs its client portfolios as long-term investments and assets withdrawals may impair the achievement of a client's investment objectives.

Self-Directed Transactions: Clients may choose to make self-directed securities transactions, which are investments that are not reviewed and/or not recommended by the Adviser. In such cases, the Adviser has not passed on the suitability of said investments and while the Adviser may assist with client-directed implementation as a value-added service at the client's request, the Adviser will not generally manage these types of investments unless agreed in writing.

It is important to understand that investing in securities involves a risk of loss that a client should be prepared to bear.

RISK OF INVESTMENT LOSS

Sprout cannot guarantee any level of performance or that any Client will avoid losses to the Client's Account. **Any investment in securities or other investment vehicles carries risk and the possibility of financial loss that the Client should be able and prepared to bear.**

General Market Risk

All investment programs have certain risks that are borne by the investor, such as:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, mutual fund, or real estate may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of the investment's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Advisory Risk:** There is no guarantee that Sprout's judgment or investment advisements about particular securities or asset classes will necessarily produce the intended results. It is possible that Clients or Sprout itself may experience equipment failure, loss of internet access, viruses, or other events that may impair access to Sprout's financial advisory service. Sprout and its representatives are not responsible to any Client for losses unless caused by Sprout breach its fiduciary duty.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties, tax lien certificates and other alternative assets such as REITs, funds and notes, are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Volatility and Correlation Risk:** Sprout's advisement processes are based in part on a careful evaluation of past price performance and volatility to evaluate future probabilities. It is possible that different or unrelated asset classes may exhibit similar price changes in similar directions which may adversely affect a Client's account and may become more acute in times of market upheaval or high volatility. **Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.**
- **Legislative and Tax Risk:** Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser / financial advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations (particularly for ETF securities dealing in natural resources). Sprout does not engage in tax planning, and in certain circumstances a Client may incur taxable income on his or her investments without a cash distribution to pay the tax due.

RISK OF SPECIFIC SECURITIES

Investing in the financial markets, including the securities SPROUT FINANCIAL recommends to clients, involves the risk of loss—including loss of principal. Investing in securities involves risk of loss that clients should be prepared to bear. While SPROUT FINANCIAL attempts to manage risks associated with the financial markets and the securities it recommends to clients, SPROUT FINANCIAL makes no guarantee or promise that advice given to clients through the management of client accounts will not result in losses. It is important to remember that past performance is not a guarantee of future results.

SPROUT FINANCIAL generally seeks investment strategies that do not involve significant risk or unusual risk beyond that of the general domestic and / or international equity markets.

Depending upon the individual needs and objectives of the client, recommended investments may include, but are not limited to, the following: Mutual Funds such as Large Cap Growth, Large Cap Value, Mid Cap Growth,

Mid Cap Value, Small Cap Growth, and Small Cap Value; Exchanged Trade Funds; ADRs; Stocks; Bonds; Commodities; Options; Preferred Stock; High Yield Debt; Emerging Markets; Foreign Fixed Income; Domestic Fixed Income; Money Market Funds and Cash.

Investments in mutual funds may bear a risk of investment loss. Clients who invest should also be prepared to bear a loss of investment proceeds.

Exchange traded funds (ETFs) - ETF Risks, including Net Asset Valuations and Tracking Error: ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate. Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by SPROUT FINANCIAL plus any management fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment adviser management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

Investments in individual stocks can be risky. Some risks can be controlled and some risks can be guarded against but no investment strategy can carry guarantees from loss. Certain market risks cannot be controlled, such as market or economic conditions. Certain strategies may be employed to adjust portfolios or the Adviser and client may agree to hold the portfolio's course. Sprout Financial designs portfolio strategies for the long-term, unless otherwise specifically requested in writing. Therefore, the Adviser does not attempt to time the market.

Fixed income investments generally are utilized as a portfolio diversification element as well as for income deriving investments outside of equity exposure.

There are certain risks involved in investing bonds: Government, Municipal, and Corporate and the following is an overview of the types of risks that one should consider: Interest rate risk; reinvestment risk; inflation risk; mark risk, selection risk, timing risk, and price risk. Additional risks for some government agency, corporate and municipal bonds may include: Legislative risk (a change in the tax code could affect the value of taxable/tax-exempt interest income); Call risk (some corporate, municipal and agency bonds have a "call provision" entitling their issuers to redeem them at a specified price on a date prior to maturity. Declining interest rates may accelerate the redemption of a callable bond, causing an investor's principal to be returned sooner than expected. In that scenario, investors have to reinvest the principal at the lower interest rates. If the bond is called at or close to par value, as is usually the case, investors who paid a premium for their bond also risk a loss of principal. In reality, prices of callable bonds are unlikely to move much above the call price if lower interest rates make the bond likely to be called. Additionally, there may be a liquidity risk involved if investors may have difficulty finding a buyer when they want to sell and may be forced to sell at a significant discount to market value. Liquidity risk is greater for thinly traded securities such as lower-rated bonds, bonds that were part of a small issue, bonds that have recently had their credit rating downgraded or bonds sold by an infrequent issuer. Bonds are generally the most liquid during the period right after issuance when the typical bond has the highest trading volume. Additional risks for corporate and municipal bonds may include: Credit risk; default risk; event risk and duration risk.

Bank obligations, including bonds and certificates of deposit, may be vulnerable to setbacks or panics in the

banking industry. Banks and other financial institutions are highly dependent upon short-term interest rates and may be adversely affected by downturns in the U.S. and foreign economies and/or changes in regulations.

Notes:

1. SPROUT FINANCIAL generally focuses more heavily on ETFs than mutual funds or individual stocks. SPROUT FINANCIAL will utilize ETFs solely for the Strategic and Tactical Portfolios
2. SPROUT FINANCIAL will not recommend investments in leveraged or inverse ETFs.

Clients are hereby advised to read each offering document carefully before investing. Past performance is not a guarantee of future returns. Investing in securities involves A risk of loss that all clients should be prepared to bear.

ITEM 9: DISCIPLINARY INFORMATION

Neither Sprout nor any of its personnel have been the subject of a reportable legal, financial, regulatory, or disciplinary event.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As a registered investment adviser, Sprout must disclose information regarding our business activities, other than giving investment advice, our other activities in the financial industry, and any arrangements with related persons that are material to you or our advisory business. We are also required to disclose if we receive cash or other economic benefits from a third-party in connection with advising you.

Neither Sprout nor its personnel are registered as a securities broker-dealer or as representatives of a broker-dealer. Furthermore, neither the firm nor its personnel are registered as a futures commission merchant, commodity pool operator or a commodity trading advisor.

REGISTRATION RELATIONSHIPS MATERIAL TO THIS ADVISORY BUSINESS AND CONFLICTS OF INTEREST

SPROUT FINANCIAL does not operate as nor is it related to a hedge fund or other type of private pooled investment vehicle. SPROUT FINANCIAL does not maintain registration relationships with any of the following:

- **broker-dealer, municipal securities dealer, or government securities dealer or broker**
- **other registered investment adviser**
- **investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment**
- **company or “hedge fund,” and offshore fund)**
- **futures commission merchant, commodity pool operator, or commodity trading Adviser**
- **banking or thrift institution**
- **accountant or accounting firm**
- **lawyer or law firm**
- **pension consultant**
- **real estate broker or dealer**
- **sponsor or syndicator of limited partnerships.**

Tyler Hansen is an independent insurance agent (Life and Health Licensed). Mr. Hansen's insurance activities represent approximately 20% of his time during the year. Other SPROUT FINANCIAL Adviser Representatives may spend 5-10% of their time on insurance services. While clients are welcome to purchase insurance products, they are never obligated to do so. If clients purchase insurance through SPROUT FINANCIAL's licensed personnel, they receive normal commissions paid by insurance companies.

Insurance Sales commissions received by Tyler Hansen are paid directly from insurance companies. Commissions are not credited against the advisory fees clients pay to SPROUT FINANCIAL and are in addition to fees clients pay for SPROUT FINANCIAL for investment management or consultation services. Clients seeking insurance products will receive written disclosure pertaining to the commissions to be earned and clients must approve all contemplated transactions. The receipt of commissions for this outside business activity represents a conflict of interest between the Adviser Representative and the advisory client. However, SPROUT FINANCIAL attempts to mitigate any conflicts of interest to the best of its ability by placing the client's interests ahead of its own, through this ADV disclosure, SPROUT FINANCIAL's written Policies and Procedures which address the conflict and by meeting the supervisory and other requirements imposed on agents and insurance agencies by the Utah Insurance Commission. SPROUT FINANCIAL clients are free to select any insurance agency or insurance agent of their choosing. Clients are never obligated to utilize any person associated with SPROUT FINANCIAL in their separate capacity as an insurance agent. You may look up insurance licensing on and adviser via the following website maintained by the State of Utah by inserting the individual's name or license number in the fields provided. The website is <https://secure.utah.gov/agent-search/search.html#>

Tyler Hansen is also a licensed mortgage broker with Security Home Mortgage, LLC, an unaffiliated service firm. The time spent on this outside business activity may vary throughout the year but generally will involve less than 5% of his time. It is possible that clients of SPROUT FINANCIAL may be casually introduced to the mortgage services available but are never under any obligation to utilize these services.

SELECTION OF OTHER MANAGERS AND ADVISER COMPENSATION

As described in Item 4 of this Brochure, SPROUT FINANCIAL may recommend unaffiliated independent managers when the Adviser believes the manager(s) may offer programs that are of interest to and could benefit the client. The Adviser generally seeks to recommend managers who are fee-only (do not accept commissions in connection with securities recommendations).

The selected independent manager(s) may provide access to investment platforms not otherwise available to other investment advisers (such as those requiring high investment minimums or institutional investment programs). The Independent managers may also offer specialized investment services or are uniquely qualified in some facet of investing. Clients are welcome but are never obligated to utilize the services of any recommended firm.

At this writing, recommended unaffiliated Advisers include: Vantage Point Management, Inc. The Pacific Financial Group, Inc., and similar firms.

SPROUT FINANCIAL will perform analysis and due diligence on any independent manager it may recommend and will update its due diligence information no less than annually. Where the Adviser provides co-management services, contact and reviews with the Independent Manager will occur as often as quarterly.

The Adviser will consider the investor's stated financial situation, expressed needs and objectives and will prepare a referral to one or more unaffiliated independent investment managers depending upon the client's unique situation. SPROUT FINANCIAL will suggest managers based upon areas of expertise, experience, philosophies and senior staff personalities that may make a strong match based upon what we know about the client. In most cases, the Adviser and the selected independent manager may manage only a portion of the client's overall investment portfolio. The client has the ultimate decision (authority) over which independent manager's services are utilized, if any.

Normally SPROUT FINANCIAL will be engaged to provide co-management services and will retain its role as primary Adviser for its client. In such cases, SPROUT FINANCIAL does not charge a separate fee for its services and only receives a portion of the management fee collected by the independent manager pursuant to a written agreement. Therefore, in these cases, clients do not pay a separate investment management fee for the services provided by SPROUT FINANCIAL.

At the time of a referral, the Adviser will deliver the independent manager's ADV Part 2 Brochure, compensation disclosure information and any other materials required by rule or regulation to the investor. Investors are welcome but are never obligated to utilize any service provider that may be recommended

The services of recommended independent managers are separate and distinct from the services provided by SPROUT FINANCIAL. The selected independent managers are responsible for providing the agreed upon financial and/or investment services, suitability and due diligence, portfolio reporting (if applicable), prompt correction of any trade errors and best execution within their respective programs and pursuant to their written agreement with investors.

In the event the Adviser provides referrals for any other service providers (such as law firms, tax or accounting professionals, etc.), it will do so solely as a service to clients and will not accept compensation for or from any recommendation list.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

Sprout Financial adheres to The National Association of Personal Financial Advisors (NAPFA) Code of Ethics. This code sets forth the basic policies of ethical conduct for all associated persons and personnel of the firm. We accept the obligation not only to comply with the mandates and requirements of all applicable laws and regulations, but also to act in an ethical and professionally responsible manner in all professional services and activities. Clients may request a copy of the NAPFA Code of Ethics from Sprout by contacting us at support@sproutadvisers.com. Sprout and its personnel abide by all requirements to comply with their fiduciary obligations to Clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest, and confidentiality of client information.

RECOMMENDATIONS INVOLVING MATERIAL FINANCIAL INTERESTS

Sprout does not recommend that clients buy or sell any security in which a related person to Sprout has a material financial interest. Sprout may recommend that clients buy or sell other assets, such as tax liens, tax deeds, REITs, funds, and notes, in which a related person to Sprout has a material financial interest. Sprout will disclose any such relationship prior to or at the time of recommendation of the purchase or sale of the asset.

INVESTING PERSONAL MONEY IN THE SAME SECURITIES AS CLIENTS

On occasion, Sprout and its personnel may often own the same securities we recommend to you or our other clients. While this may create a conflict of interest, the total volume of each transaction is insignificant to the market and will not affect transactions in client accounts. At no time does the firm or its personnel receive preferential treatment over clients.

ITEM 12: BROKERAGE PRACTICES

FACTORS USED TO SELECT CUSTODIANS AND/OR BROKER DEALERS

Sprout has established a non-exclusive relationship with IRA Services Trust Company ("IRA Services"), Folio FN and TD Ameritrade for custodial services. For clients who use Sprout's Wealth Management Services, clients will enter into a separate agreement with IRA Services, FOLIO FN and/or TD Ameritrade to custody their assets. Sprout is independently owned and operated, and unaffiliated with IRA Services, FOLIO FN and TD Ameritrade. Clients are not required to use IRA Services, FOLIO FN or TD Ameritrade as the custodian of their assets.

We consider several factors in recommending custodians and broker-dealers to clients, such as ease of use, reputation, service execution, pricing and financial strength. Although the expenses and/or transaction fees paid by our clients shall comply with our duty to obtain best execution, a client may pay fees and expenses that are higher than another qualified custodian or broker-dealer might charge to affect the same transaction where we determine, in good faith, that the fees and expenses are reasonable in relation to the value of the brokerage and research services received.

In seeking best execution, 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 broker-dealer and custodial services, including the value of research provided, execution capability, fees and expenses, and responsiveness. Accordingly, although we will seek competitive rates, it may not necessarily obtain the lowest possible expenses or transaction rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, our investment management fee.

RESEARCH AND OTHER SOFT-DOLLAR BENEFITS

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, we may receive from a broker-deal/custodian without cost (and/or at a discount) support services and/or products, certain of which assist us to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by us may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by us in furtherance of its investment supervisory business operations.

As indicated above, the support services and/or products that may be received may assist us in managing and administering client accounts. Others do not directly provide such assistance, but rather assist us to manage and further develop our business enterprise.

Sprout's clients do not pay more for investment transactions effected and/or assets maintained at recommended broker-deal/custodian as a result of this arrangement. There is no corresponding commitment made by us to a recommended broker-deal/custodian or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

Our policy is to restrict any non-cash compensation, or "soft dollars," that we may receive from a service provider to that which enhances our ability to render quality advice and service to the client.

AGGREGATEING (BLOCK) TRADING FOR MULTIPLE ACCOUNTS

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, we may receive from a broker-deal/custodian without cost (and/or at a discount) support services and/or products, certain of which assist us to better monitor and service client accounts maintained at such institutions.

ITEM 13: REVIEW OF ACCOUNTS

While the underlying securities within client accounts are monitored on an ongoing basis, client accounts are

reviewed quarterly at a minimum. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, the market, and the political or economic environment. Additionally, we are happy to review the client's portfolio at any time upon their request.

On a periodic basis, Sprout contacts each Client to remind them to review and update personal profile information they previously provided. Sprout also requests that Clients reconfirm the same information on an annual basis. These notifications and confirmations include a link to the Client's current information and contact information for the Sprout support team. Currently the Sprout team members whose tasks include supervising, arranging and responding to these notifications, confirmations and reviews are: The Client Services Manager and the Client Services team.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

ECONOMIC BENEFITS PROVIDED BY THIRD PARTIES FOR ADVICE RENDERED TO CLIENTS (INCLUDES SALES AWARDS OR OTHER PRIZES)

Sprout does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to the firm's clients.

COMPENSATION TO NON-ADVISORY PERSONNEL FOR CLIENT REFERRALS

Sprout maintains a solicitation relationship with Sprout IRA, LLC. A fee of \$50 is paid to Sprout IRA, LLC for any client referrals that result in a completed advisement or money management account.

ITEM 15: CUSTODY

Sprout does not take custody of client accounts at any time. Custody of client's accounts is held with a qualified custodian, as discussed in item 12 above, or the client's selected custodial firm. However, with a client's consent, we may be provided with the authority to seek deduction of our fees from a client's account(s). The custodian does not verify the accuracy of our advisory fee calculation.

Clients will receive account statements from the custodian and should carefully review those statements.

Investment Management Services are invoiced monthly or quarterly in advance or arrears, depending upon the nature of services, the Independent Manager(s) utilized, and agreed to via a client agreement. Financial Planning and Consultation Services are invoiced in arrears at the conclusion of services and paid directly by the client.

Sprout Financial does not maintain limited discretionary authority over client accounts. Sprout Financial will only have access to custodial accounts where client authorization has been granted, as needed to implement trades via written authorization (client directed trades only) and, as noted above, to deduct contractually agreed upon investment advisory fees. Access to client accounts may be deemed custody by the Utah Securities Act or rules thereunder unless certain provisions are in place.

In all cases, clients have a direct and beneficial interest in their securities (individual ownership), rather than an undivided interest in a pool of securities. Execution of transactions and custody of client funds and securities are services provided by the client's selected brokerage/custodial services provider(s).

It is vitally important that clients receive regular and transactional account statements from their custodian(s) and clients should carefully review those statements. If clients find that statements are not being received directly or if statements contain any errors, they should promptly contact Sprout Financial and their custodial firm. Clients must also promptly report address changes to the Adviser and their custodial firm to avoid delays in information.

ITEM 16: INVESTMENT DISCRETION

DISCRETIONARY TRADING AUTHORITY

For client accounts where Sprout provides ongoing supervision, we enter into a limited -discretionary Wealth Management Agreement with the client that outlines our responsibilities.

With the client's authorization as provided in the custodial account forms and the Adviser's client agreement, Sprout Financial will maintain limited discretionary trading authority to execute securities transactions in the investor's portfolio within the investor's designated investment objective, to include the securities to be bought and sold, and the amount of securities to be bought and sold. Sprout Financial will never have full power of attorney and will not have the authority to take custody of investor funds or securities other than the constructive custody associated with the deduction of contractually agreed advisory fees via the investor's qualified custodian (requires client authorization)

ITEM 17: VOTING CLIENT SECURITIES

Sprout will not ask for, nor accept voting authority for client securities. The client is responsible for the manner in which proxies are voted, as well as all other elections relative to mergers, acquisitions, tender offers, or other events pertaining to the client's investments. The client will request receipt of their proxies and other solicitations directly from the custodian or transfer agent for their investments.

We do not offer any consulting assistance regarding proxy issues to clients.

ITEM 18: FINANCIAL INFORMATION

Sprout does not require nor solicit prepayment of more than \$500 in fees per client for advisory services, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

Neither Sprout, nor its management, have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

Sprout has never been the subject of a bankruptcy petition.

ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Adviser Representative Background Data. Information relating Edward Stewart and Sprout Financials' other Adviser Representatives' formal education, business background and outside business activities is provided in the attached ADV Part 2B Brochure (immediately follows the last page of this ADV 2A Brochure).

Performance-Based Fees. As disclosed in Item 6 of this Brochure, Sprout Financials' fees are not "performance based". Sprout Financials' and its Adviser Representatives (supervised persons of Sprout Financial) do not accept "performance based" fees (based upon a share of capital gains or capital appreciation, or performance, for any portion of funds under an advisory contract). Therefore, Sprout Financials does not engage in side-by-side management accounts.

Disciplinary / Disclosure Information. Sprout Financials, its Officer and its Adviser Representatives have never been party to a bankruptcy, investment-related litigation or an arbitration. Sprout Financials and its Adviser Representatives have never had a registration or license restricted, suspended or revoked.

Relationships or Arrangements with Issuers of Securities. Sprout Financials, its Officers and its Adviser Representatives do not have any affiliation to or business arrangements with issuers of securities.