

# FORM ADV PART 2A DISCLOSURE BROCHURE



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This brochure provides information about the qualifications and business practices of The Private Client Advisory Group LLC. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 732-741-7711. 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 The Private Client Advisory Group LLC (CRD #311221) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

**DECEMBER 9,  
2020**

## **Item 2: Material Changes**

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### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

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### **Material Changes since the Last Update**

Initial Filing.

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### **Full Brochure Available**

This Firm Brochure being delivered is the complete brochure for the Firm.

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## **Item 4: Advisory Business**

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### **Firm Description**

The Private Client Advisory Group LLC (“The PCAG”) was founded in 2017 and became registered to offer investment advisory services in 2020. Mark A. Faccone is 100% owner.

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### **Types of Advisory Services**

#### ASSET MANAGEMENT

The PCAG offers discretionary and non-discretionary asset management services to advisory Clients. The PCAG will offer Clients ongoing asset management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors.

#### Discretionary

When the Client provides The PCAG discretionary authority the Client will sign a limited trading authorization or equivalent. The PCAG will have the authority to execute transactions in the account without seeking Client approval on each transaction.

#### Non-Discretionary

When the Client elects to use The PCAG on a non-discretionary basis, The PCAG will determine the securities to be bought or sold and the amount of the securities to be bought or sold. However, The PCAG will obtain prior Client approval on each and every transaction before executing any transaction.

#### Orion Portfolio Solutions

The PCAG offers discretionary management services through a program sponsored by Orion Portfolio Solutions (“OPS”). The terms and conditions under which the Client shall engage Orion Portfolio Solutions shall be set forth in separate written agreements between (1) the Client and The PCAG and (2) the Client and Orion Portfolio Solutions. The PCAG shall continue to render advisory services to the Client relative to the ongoing monitoring and review of account performance, for which The PCAG shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by Orion Portfolio Solutions. Factors that The PCAG shall consider in recommending Orion Portfolio Solutions include the Client’s stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. In addition to The PCAG’s written disclosure statement, the Client shall also receive the written disclosure statement of Orion Portfolio Solutions. Clients should review Orion Portfolio Solutions’ ADV Part 2 or Terms of Use for additional details regarding services.

#### SEI Managed Accounts Solutions

The PCAG offers discretionary management services through a program sponsored by SEI Investments Management Corp (SIMC). SIMC has developed a standard managed account solutions (“MAS”), which program includes SEI’s distribution focused strategies, an integrated managed account solutions providing a tax overlay service (“Tax Management”) and a Goals Based Investing managed account solutions, consisting of MAS and Tax Management portfolios invested in accordance with SEI’s goals-based investment solutions and, may, in the future, develop additional managed account solutions (collectively, the “Managed Account Solutions”). Under this program, SIMC acts as a co-investment advisor to the Investor, along with The PCAG, pursuant to a tri-party investment management agreement executed among SIMC, The PCAG and each Investor investing assets into the

Managed Account Solutions (the “Tri-party Agreement”). For each Managed Account Solutions, SIMC is responsible for developing managed account portfolios designed to be invested in accordance with a stated investment objective (the “Managed Account Portfolios”). For each Managed Account Portfolio, other than the Managed Account Portfolios implementing distribution-focused strategies (the “DFS Portfolios”), SIMC is solely responsible for screening, reviewing and selecting the various money managers and/or individual mutual funds and Other Assets available for selection by Advisors and their Investors designed to meet the specific Managed Account Portfolio’s stated investment objective or goal. For each DFS Portfolio, SIMC is responsible for selecting the SEI Funds and/or Other Assets underlying each DFS Portfolio and actively managing each Investor Account invested in a DFS Portfolio in accordance with the portfolio’s investment objectives.

#### SEI Mutual Fund Models Program and SEI Funds

The PCAG offers discretionary management services through a program sponsored by SEI Investments Management Corp (SIMC). SIMC has developed various model mutual fund asset allocation portfolios (the “Mutual Fund Models”) designed to be invested in accordance with a stated investment objective or goal (the “Mutual Fund Models Program”). SIMC currently develops its Mutual Fund Models through two underlying programs, described in various SEI literature as either SEI’s Institutional Mutual Fund models or SEI’s Goals Based Investing models and, may in the future, develop additional mutual fund model programs. Each Mutual Fund Model’s underlying portfolio allocation is generally comprised exclusively of mutual funds in the SEI family of funds (“SEI Funds”), which are each advised by SIMC. Pursuant to the Mutual Fund Models Program, SEI will make available its various Mutual Fund Models to The PCAG who, in turn, may assist Investors in determining into which Mutual Fund Models to invest their assets.

#### FINANCIAL PLANNING AND CONSULTING

Financial planning services include a comprehensive evaluation of an investor's current and future financial state will be provided by using currently known variables to predict future cash flows, asset values and withdrawal plans. The PCAG will use current net worth, tax liabilities, asset allocation, and future retirement and estate plans in developing financial plans.

Typical topics reviewed in a financial plan may include but are not limited to:

- **Financial goals:** Based on an individual's or a family's clearly defined financial goals, including funding a college education for the children, buying a larger home, starting a business, retiring on time or leaving a legacy. Financial goals should be quantified and set to milestones for tracking.
- **Personal net worth statement:** A snapshot of assets and liabilities serves as a benchmark for measuring progress towards financial goals.
- **Cash flow analysis:** An income and spending plan determines how much can be set aside for debt repayment, savings and investing each month.
- **Retirement strategy:** A strategy for achieving retirement independent of other financial priorities. Including a strategy for accumulating the required retirement capital and its planned lifetime distribution.
- **Comprehensive risk management plan:** Identify all risk exposures and provide the necessary coverage to protect the family and its assets against financial loss. The risk management plan includes a full review of life and disability insurance,

personal liability coverage, property and casualty coverage, and catastrophic coverage.

- **Long-term investment plan:** Include a customized asset allocation strategy based on specific investment objectives and a risk profile. This investment plan sets guidelines for selecting, buying and selling investments and establishing benchmarks for performance review.
- **Tax reduction strategy:** Identify ways to minimize taxes on personal income to the extent permissible by the tax code. The strategy should include identification of tax-favored investment vehicles that can reduce taxation of investment income.
- **Estate preservation:** Help update accounts, review beneficiaries for retirement accounts and life insurance, provide a second look at your current estate planning documents, and prompt you to update your plan when the legal environment changes or you have major life events such as a marriage, death, or births.

If a conflict of interest exists between the interests of The PCAG and the interests of the Client, the Client is under no obligation to act upon The PCAG's recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through The PCAG. Financial plans will be completed and delivered inside of thirty (30) days contingent upon timely delivery of all required documentation.

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#### **Client Tailored Services and Client Imposed Restrictions**

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written Client consent.

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#### **Wrap Fee Programs**

The PCAG sponsors a wrap fee program, for details, see our Form ADV Part 2A, Appendix 1.

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#### **Client Assets under Management**

As this is the initial filing of this brochure, The PCAG has no Client assets under management.

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### **Item 5: Fees and Compensation**

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#### **Method of Compensation and Fee Schedule**

##### ASSET MANAGEMENT

The PCAG offers direct asset management services to advisory Clients. The PCAG charges an annual investment advisory fee based on the total assets under management as follows:

Assets Under Management	Annual Fee	Monthly Fee	Quarterly Fee
Up to \$1,000,000	1.50%	.125%	.375%
\$1,000,001 to \$2,500,000	1.00%	.083%	.250%
Over \$2,500,000	Negotiable		

This is a tiered or breakpoint fee schedule, the entire portfolio is charged the same asset management fee. For example, a Client with \$1,500,000 under management would pay \$15,000 on an annual basis.  $\$1,500,000 \times 1.00\% = \$15,000$ .

The annual fee is negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar



amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.).

For accounts held at TD Ameritrade, fees are billed monthly in advance based on the amount of assets managed as of the close of business on the last business day of the previous month.

For accounts held at LPL Financial, fees are billed quarterly in advance based on the amount of assets managed as of the last business day of the preceding quarter.

Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. After the initial five (5) business days, the agreement may be terminated by The PCAG with thirty (30) days written notice to Client and by the Client at any time with written notice to The PCAG. For accounts opened or closed mid-billing period, fees will be prorated based on the days services are provided during the given period. All unearned fees will be refunded to the Client. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

#### Orion Portfolio Solutions

The PCAG charges an annual investment advisory fee based on the total assets under management as follows:

Assets Under Management	Annual Fee	Monthly Fee
Up to \$1,000,000	1.50%	.125%
\$1,000,001 to \$2,500,000	1.00%	.083%
Over \$2,500,000	Negotiable	

The annual fee may be negotiable. Accounts within the same household may be combined for a reduced fee. Lower fees for comparable services may be available from other sources. OPS does not receive any portion of the advisory fee charged by The PCAG. The investment management fees charged by Orion Portfolio Solutions are exclusive of, and in addition to, The PCAG's investment advisory fee set forth above. The total annual fees for the Orion Portfolio Solutions Program may not exceed 2% of assets under management. The fees are charged monthly in arrears and are based on the average daily account balance for the period for the prior month.

Fees for OPS services include:

- Administration Fees (reporting and accounting services – ranging from 0.08% - 0.45%),
- Account Maintenance Fees (\$25 or \$50 per account annually), and
- Strategist Fees (range from 0.0% to 0.20%).
- Separately Managed Account (SMA) Fees (range from 0.35% to 0.70%)

Fees are automatically deducted from the Client's account by OPS; OPS will pay The PCAG their portion of the fees. The PCAG does not have the ability to directly deduct their advisory fee from the Client account.

Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation. For accounts closed mid-month, The PCAG will be entitled to a pro rata fee for the days service was provided in the final month. Client shall

be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

For fees that are directly deducted from the account by the custodian:

- The PCAG will provide the Client with an invoice concurrent to instructing the custodian to deduct the fee stating the amount of the fee, the formula used to calculate the fee, the amount of assets under management the fee is based on and the time period covered by the fee;
- The PCAG will obtain written authorization signed by the Client allowing the fees to be deducted; and
- The Client will receive quarterly statements directly from the custodian which disclose the fees deducted.

#### SEI Managed Account Solutions and SEI Mutual Fund Models Program

For the SEI Managed Account Solutions program The PCAG charges an annual investment advisory fee based on the total assets under management as follows:

Assets Under Management	The PCAG Annual Fee	The PCAG Quarterly Fee
Up to \$1,000,000	1.50%	.375%
\$1,000,001 to \$2,500,000	1.00%	.250%
Over \$2,000,000	Negotiable	

The annual fee may be negotiable.

SIMC's advisory fee schedule for MAS range from .10% to 1.25%. Certain Clients may receive a fee discount, at the sole discretion of SIMC. These fees may be higher or lower than those charged by other investment advisors for similar services. SIMC may pay a portion of this fee to the portfolio manager acting as the account's Overlay Manager or retain the fee itself if it is serving as the Overlay Manager.

To the extent a Client's assets in MAS are invested in SEI Funds, SIMC and its affiliates will earn fund-level fees on those assets, as set forth in the applicable Fund's prospectus but SIMC will offset the fees set forth above on MAS assets invested in any SEI Fund.

#### Fees for SEI Funds

Each SEI Fund pays an advisory fee to SIMC that is based on a percentage of the portfolio's average daily net assets, as described in the mutual fund's prospectus. From such amount, SIMC pays the sub-advisor(s) to the fund. SIMC's fund advisory fee varies, but it typically ranges from .10% - 1.50% of the portfolio's average daily net assets for its advisory services. Affiliates of SIMC provide administrative, distribution and transfer agency services to all of the portfolios within the SEI Funds, as described in the SEI Funds' registration statements. These fees and expenses are paid by the SEI Funds but ultimately are borne by each shareholder of the SEI Funds. If a Client invests in a model available through the Mutual Fund Models Program, the Client will be charged the expense ratios of each of the SEI Funds included in the applicable model. Clients may have the option to purchase certain SEI investment products, including the SEI Funds, that SIMC recommends through other brokers or agents not affiliated with SIMC. Clients may also pay custody fees to SEI Private Trust Company ("SPTC") when their assets are custodied at SPTC. These fees

will vary depending on the account balance and trade activity in the account. Clients can refer to their account application for specific information on SPTC custody fees.

The PCAG receives compensation as a result of a Client's participation in SIMC's programs. For assisting Clients in selecting appropriate Mutual Fund Models, Managed Account Portfolios or Custom Portfolios in accordance with the terms of The PCAG's advisory agreement and, if applicable Triparty Agreement, with such Clients and providing on-going account services, The PCAG will receive a fee payable from the Client's Account assets. The PCAG's fee will be calculated quarterly on the Client's Account balance and payable quarterly in arrears net of any income, withholding or other taxes. The PCAG's fee is separate from and in addition to SIMC's Investment Management Fee described above. The PCAG's fee and SIMC's Investment Management fee will be deducted by SPTC directly from the Client's account. The PCAG does not have the ability to directly deduct their advisory fee from the client account.

Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation. For accounts closed mid-quarter, The PCAG will be entitled to a pro rata fee for the days service was provided in the final quarter. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

#### FINANCIAL PLANNING AND CONSULTING

The PCAG charges an hourly fee of \$300 per hour for financial planning services. Prior to the planning process the Client will be provided an estimated plan fee. Services are completed and delivered inside of thirty (30) days contingent upon timely delivery of all required documentation. Client may cancel within five (5) business days of signing Agreement with no obligation and without penalty. If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to The PCAG. The PCAG reserves the right to waive the fee should the Client implement the plan through The PCAG.

Fees for financial plans are billed 50% in advance with the balance due upon plan delivery.

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#### **Client Payment of Fees**

Fees for asset management services are deducted from a designated Client account to facilitate billing or they may pay The PCAG directly. The Client must consent in advance to direct debiting of their investment account.

Fees for financial plans will be billed to the Client and paid directly to The PCAG.

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#### **Additional Client Fees Charged**

Custodians may charge brokerage commissions, transaction fees, and other related costs on the purchases or sales of mutual funds, equities, bonds, options and exchange-traded funds. Mutual funds, money market funds and exchange-traded funds also charge internal management fees, which are disclosed in the fund's prospectus. The PCAG does not receive any compensation from these fees. All of these fees are in addition to the management fee you pay to The PCAG. For more details on the brokerage practices, see Item 12 of this brochure.

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#### **Prepayment of Client Fees**

The PCAG does not require any prepayment of fees of more than \$1,200 per Client and six months or more in advance.

Investment management fees are billed monthly in advance.

Fees for financial plans are billed 50% in advance with the balance due upon plan delivery

If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to The PCAG.

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**External Compensation for the Sale of Securities to Clients**

Investment Advisor Representatives of The PCAG receive external compensation for the sale of securities to clients as registered representatives of LPL Financial LLC, a broker-dealer. This represents a conflict of interest because it gives an incentive to recommend products based on the commission received. As registered representatives, they do not charge advisory fees for the services offered through LPL Financial LLC. This conflict is mitigated by disclosures, procedures, and The PCAG's fiduciary obligation to place the best interest of the Client first and Clients are not required to purchase any products or services. Clients have the option to purchase these products through another registered representative of their choosing.

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**Item 6: Performance-Based Fees and Side-by-Side Management****Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

The PCAG does not use a performance-based fee structure because of the conflict of interest. Performance based compensation may create an incentive for The PCAG to recommend an investment that may carry a higher degree of risk to the Client.

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**Item 7: Types of Clients****Description**

The PCAG generally provides investment advice to individuals, high net worth individuals, trusts, charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

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**Account Minimums**

The PCAG does not require a minimum to open an account.

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**Item 8: Methods of Analysis, Investment Strategies and Risk of Loss****Methods of Analysis**

Security analysis methods may include fundamental analysis, technical analysis, charting, and cyclical analysis. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns

can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Charting analysis strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are twofold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

TPMs utilized by The PCAG may use various methods of analysis to determine the proper strategy for the client referred and these will be disclosed in the TPM's Form ADV Part 2. Investing in securities involves risk of loss that clients should be prepared to bear. Past performance is not a guarantee of future returns. Other strategies utilized by TPMs may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

In developing a financial plan for a Client, The PCAG's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

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### **Investment Strategy**

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to The PCAG. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

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### **Security Specific Material Risks**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with The PCAG:

- *Market Risk:* The prices of securities in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.

- *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.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than 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.
- *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 are not.
- *Management Risk:* The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the client's portfolio may suffer.
- *Equity Risk:* Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.
- *Fixed Income Risk:* The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities held by a fund is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.
- *Investment Companies Risk:* When a client invests in open end mutual funds or ETFs, the client indirectly bears their proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which

are tied to large decreases in stock prices) halts stock trading generally. Adviser has no control over the risks taken by the underlying funds in which client invests.

- *Derivatives Risk:* Funds in a client's portfolio may use derivative instruments. The value of these derivative instruments derives from the value of an underlying asset, currency or index. Investments by a fund in such underlying funds may involve the risk that the value of the underlying fund's derivatives may rise or fall more rapidly than other investments, and the risk that an underlying fund may lose more than the amount that it invested in the derivative instrument in the first place. Derivative instruments also involve the risk that other parties to the derivative contract may fail to meet their obligations, which could cause losses.
- *Foreign Securities Risk:* Funds in which clients invest may invest in foreign securities. Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.
- *Long-term purchases:* Long-term investments are those vehicles purchased with the intention of being held for more than one year. Typically, the expectation of the investment is to increase in value so that it can eventually be sold for a profit. In addition, there may be an expectation for the investment to provide income. One of the biggest risks associated with long-term investments is volatility, the fluctuations in the financial markets that can cause investments to lose value.
- *Short-term purchases:* Short-term investments are typically held for one year or less. Generally, there is not a high expectation for a return or an increase in value. Typically, short-term investments are purchased for the relatively greater degree of principal protection they are designed to provide. Short-term investment vehicles may be subject to purchasing power risk — the risk that your investment's return will not keep up with inflation.
- *Trading risk:* Investing involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund or investment will be achieved.
- *Options Trading:* The risks involved with trading options are that they are very time sensitive investments. An options contract is generally a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur in the relevant time period (i.e., before the option expires). Additionally, options are less tangible than some other investments. An option is a "book-entry" only investment without a paper certificate of ownership.

- *Leveraged Risk*: The risks involved with using leverage may include compounding of returns (this works both ways – positive and negative), possible reset periods, volatility, use of derivatives, active trading and high expenses.
- *Counterparty Risk*: The risk that the other party to an agreement will default or fail to perform its contractual obligations. In an options contract, counterparty risk is the risk to the option buyer that the option writer will not buy or sell the underlying as agreed.
- *Foreign Investment Risk*: Investments in foreign securities may be riskier than U.S. investments because of factors such as, unstable international, political and economic conditions, currency fluctuations, foreign controls on investment and currency exchange, foreign governmental control of some issuers, potential confiscatory taxation or nationalization of companies by foreign governments, withholding taxes, a lack of adequate company information, less liquid and more volatile exchanges and/or markets, ineffective or detrimental government regulation, varying accounting standards, political or economic factors that may severely limit business activities, and legal systems or market practices that may permit inequitable treatment of minority and/or non-domestic investors. Investments in emerging markets may involve these and other significant risks such as less mature economic structures and less developed and more thinly-traded securities markets.
- *Senior Secured Debt*: Because senior loans can be made to non-investment grade borrowers, the risk of default may be greater. Should a borrower fail to make a payment or default, this may affect the overall return to the lender. Interest rate is another risk as interest rate changes will affect the amount of interest paid by a borrower in a floating rate senior loan.

The risks associated with utilizing TPM's include:

- Manager Risk
  - TPM fails to execute the stated investment strategy
- Business Risk
  - TPM has financial or regulatory problems
- The specific risks associated with the portfolios of the TPM's which is disclosed in the TPM's Form ADV Part 2.

## **Item 9: Disciplinary Information**

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### **Criminal or Civil Actions**

The PCAG and its management have not been involved in any criminal or civil action.

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### **Administrative Enforcement Proceedings**

The PCAG and its management have not been involved in administrative enforcement proceedings.

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### **Self-Regulatory Organization Enforcement Proceedings**

The PCAG and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of The PCAG or the integrity of its management.



## **Item 10: Other Financial Industry Activities and Affiliations**

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### **Broker-Dealer or Representative Registration**

The PCAG is not registered as a broker-dealer, however, Managing Member Mark A. Faccone is a registered representative of LPL Financial LLC, a FINRA/SIPC broker-dealer.

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### **Futures or Commodity Registration**

Neither The PCAG nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

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### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Mark A. Faccone has a financial affiliated business as an independent insurance agent. Approximately less than 5% of his time is spent on this activity. In addition, Mr. Faccone is a registered representative of LPL Financial LLC. Approximately 50% of this time is spent on this activity. He will offer Clients services from those activities. As an insurance agent and registered representative, he may receive separate yet typical compensation.

Finally, Mr. Faccone is an investment advisor representative of Fortis Group Advisors LLC. He will remain registered with Fortis Group Advisors LLC during the transition of clients to The PCAG. Minimal time will be spent on this activity.

These practices represent conflicts of interest because it gives an incentive to recommend products based on the commission amount received. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent, registered representative or investment advisor representative of their choosing.

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### **Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

Clients placed with TPM will be billed in accordance with the TPM's fee schedule which will be disclosed to the Client prior to signing an agreement. The PCAG ensures that before selecting other advisors for Client that the other advisors are properly licensed or registered as an investment advisor.

These practices represent conflicts of interest because The PCAG is paid a Solicitor Fee for recommending the TPM and may choose to recommend a particular TPM based on the fee The PCAG is to receive. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to act in the best interest of his Clients. Clients are not required to accept any recommendation of TPM given by The PCAG and have the option to receive investment advice through other money managers of their choosing.

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

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### **Code of Ethics Description**

The affiliated persons (affiliated persons include employees and/or independent contractors) of The PCAG have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of The PCAG affiliated persons and addresses conflicts that may arise. The Code defines acceptable behavior for affiliated persons of The PCAG. The Code reflects The PCAG and its supervised persons' responsibility to act in the best interest of their Client.

One area which the Code addresses is when affiliated persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any affiliated persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

The PCAG's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other affiliated person, officer or director of The PCAG may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

The PCAG's Code is based on the guiding principle that the interests of the Client are our top priority. The PCAG's officers, directors, advisors, and other affiliated persons have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust and confidence of our Clients. When a conflict arises, it is our obligation to put the Client's interests over the interests of either affiliated persons or the company.

The Code applies to "access" persons. "Access" persons are affiliated persons who have access to non-public information regarding any Clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

The PCAG will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

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### **Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

The PCAG and its affiliated persons do not recommend to Clients securities in which we have a material financial interest.

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### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

The PCAG and its affiliated persons may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as trading ahead of Client transactions, affiliated persons are required to disclose all reportable securities transactions as well as provide The PCAG with copies of their brokerage statements.

The Chief Compliance Officer of The PCAG is Mark A. Faccone. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

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### **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

The PCAG does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, affiliated persons may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, affiliated persons are required to disclose all reportable securities transactions as well as provide The PCAG with copies of their brokerage statements.

The Chief Compliance Officer of The PCAG is Mark A. Faccone. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

## **Item 12: Brokerage Practices**

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### **Factors Used to Select Broker-Dealers for Client Transactions**

The PCAG will recommend the use of a particular broker. The PCAG will select appropriate brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. The PCAG relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by The PCAG.

Individuals associated with The PCAG are licensed as registered representatives of LPL Financial. As a result of this licensing relationship, LPL Financial is responsible for supervising certain activities of The PCAG to the extent The PCAG manages assets at a broker/dealer and custodian other than LPL Financial. LPL Financial charges a fee for this oversight. This presents a conflict of interest in that The PCAG has a financial incentive to recommend that you maintain your account with LPL Financial rather than another custodian in order to avoid the oversight fee. However, to the extent The PCAG recommends you use LPL Financial for such services, it is because The PCAG believes that it is in your best interest to do so based on the quality and pricing of the execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided by LPL Financial.

- *Directed Brokerage*  
The PCAG does not allow directed brokerage accounts.
- *Brokerage for Client Referrals*  
The PCAG does not receive client referrals from any custodian or third party in exchange for using that broker-dealer or third party.
- *Best Execution*  
Investment advisors who manage or supervise Client portfolios have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is affected, the ability to effect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. The PCAG does not receive any portion of the trading fees.
- *Soft Dollar Arrangements*  
The PCAG does not receive soft dollar benefits.

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### **Aggregating Securities Transactions for Client Accounts**

The PCAG is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of The PCAG. All Clients participating in the aggregated order

shall receive an average share price with all other transaction costs shared on a pro-rated basis. If aggregation is not allowed or infeasible and individual transactions occur (e.g., withdrawal or liquidation requests, odd-late trades, etc.) an account may potentially be assessed higher costs or less favorable prices than those where aggregation has occurred.

## **Item 13: Review of Accounts**

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### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory**

#### **Persons Involved**

Account reviews are performed quarterly by the Chief Compliance Officer of The PCAG. Account reviews are performed more frequently when market conditions dictate. Reviews of Client accounts include, but are not limited to, a review of Client documented risk tolerance, adherence to account objectives, investment time horizon, and suitability criteria, reviewing target allocations of each asset class to identify if there is an opportunity for rebalancing, and reviewing accounts for tax loss harvesting opportunities.

Financial plans generated are updated as requested by the Client and pursuant to a new or amended agreement, The PCAG suggests updating at least annually.

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#### **Review of Client Accounts on Non-Periodic Basis**

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

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#### **Content of Client Provided Reports and Frequency**

Clients receive written account statements no less than monthly for managed accounts. Account statements are issued by The PCAG's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs. The PCAG does not provide additional reports to Clients.

## **Item 14: Client Referrals and Other Compensation**

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### **Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

The PCAG receives a portion of the annual management fees collected by the TPM(s) to whom The PCAG refers Clients.

This situation creates a conflict of interest because The PCAG and/or its Investment Advisor Representatives have an incentive to decide what TPMs to use because of the higher solicitor fees to be received by The PCAG. However, when referring Clients to a TPM, the Client's best interest will be the main determining factor of The PCAG.

Mr. Faccone receives external compensation for the sale of securities to clients as a registered representative of LPL Financial LLC, a broker-dealer.

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#### **Advisory Firm Payments for Client Referrals**

The PCAG does not compensate for Client referrals.

## **Item 15: Custody**

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### **Account Statements**

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at their address of record at least quarterly. Clients are urged

to compare the account statements received directly from their custodians to any documentation or reports prepared by The PCAG.

The PCAG is deemed to have limited custody solely because advisory fees are directly deducted from Client's accounts by the custodian on behalf of The PCAG.

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## **Item 16: Investment Discretion**

### **Discretionary Authority for Trading**

If applicable, Client will authorize The PCAG discretionary authority, via the advisory agreement, to determine, without obtaining specific Client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. If applicable, Client will authorize The PCAG discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement. If however, consent for discretion is not given, The PCAG will obtain prior Client approval before executing each transaction.

The PCAG allows Client's to place certain restrictions, as outlined in the Client's Investment Policy Statement or similar document. Such restrictions could include only allowing purchases of socially conscious investments. These restrictions must be provided to The PCAG in writing.

The Client approves the custodian to be used and the commission rates paid to the custodian. The PCAG does not receive any portion of the transaction fees or commissions paid by the Client to the custodian.

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## **Item 17: Voting Client Securities**

### **Proxy Votes**

The PCAG does not vote proxies on securities. Clients are expected to vote their own proxies. The Client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, The PCAG will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

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## **Item 18: Financial Information**

### **Balance Sheet**

A balance sheet is not required to be provided because The PCAG does not serve as a custodian for Client funds or securities and The PCAG does not require prepayment of fees of more than \$1,200 per Client and six months or more in advance.

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### **Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

The PCAG received a \$20,833.00 loan under the paycheck protection program on May 4, 2020 due to the economic uncertainties caused by the COVID-19 pandemic.

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### **Bankruptcy Petitions during the Past Ten Years**

The PCAG has not had any bankruptcy petitions in the last ten years.

## **Item 19: Requirements for State Registered Advisors**

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### **Principal Executive Officers and Management Persons**

The education and business background for all management persons can be found in the Part 2B of this Brochure.

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### **Outside Business Activities**

The outside business activities for all management persons can be found in the Part 2B of this Brochure.

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### **Performance Based Fee Description**

Neither The PCAG nor its management receive performance based fees. Please see Item 6 of the ADV 2A for more information.

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### **Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons**

Neither The PCAG nor its management have been involved in any of the following:

1. An award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
    - a) An investment or an investment-related business or activity;
    - b) Fraud, false statement(s) or omissions;
    - c) Theft, embezzlement or other wrongful taking of property;
    - d) Bribery, forgery, counterfeiting, or extortion;
    - e) Dishonest, unfair or unethical practices.
  2. An award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
    - a) An investment or an investment-related business or activity;
    - b) Fraud, false statement(s) or omissions;
    - c) Theft, embezzlement or other wrongful taking of property;
    - d) Bribery, forgery, counterfeiting, or extortion;
    - e) Dishonest, unfair or unethical practices.
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### **Material Relationship Maintained by this Advisory Business or Management persons with Issuers of Securities**

There are no material relationships with issuers of securities to disclose.

Item 1 Cover Page

**SUPERVISED PERSON BROCHURE**  
FORM ADV PART 2B

Mark A. Faccone, CFP®, CDFA, CFS®



THE PRIVATE CLIENT ADVISORY GROUP, LLC

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This brochure supplement provides information about Mark A. Faccone and supplements The Private Client Advisory Group LLC brochure. You should have received a copy of that brochure. Please contact Mark A. Faccone if you did not receive the brochure or if you have any questions about the contents of this supplement. Additional information about Mark A. Faccone (CRD #3112389) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**DECEMBER 9,  
2020**

## Brochure Supplement (Part 2B of Form ADV)

### Supervised Person Brochure

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**Principal Executive Officer – Mark A. Faccone, CFP®, CDFA, CFS®**

- Year of birth: 1970
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#### **Item 2 - Educational Background and Business Experience**

Educational Background:

- Thomas Edison University; Bachelor of Arts – Liberal Arts; 2017

Business Experience:

- The Private Client Advisory Group LLC; Investment Advisor Representative/Chief Compliance Officer; 10/2020-Present
- The Private Client Advisory Group LLC; Managing Member; 04/2017-Present
- Mark A. Faccone, Sole Proprietor; Insurance Agent; 06/2017-Present
- Fortis Group Advisors LLC; Investment Advisor Representative; 04/2018-Present
- LPL Financial LLC; Registered Representative; 02/2018-Present
- LPL Financial LLC; Investment Advisor Representative; 02/2018-08/2018
- Invest Financial Corporation; Investment Advisor Representative/Registered Representative; 05/2005-02/2018

#### **Professional Certifications**

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*Mark A. Faccone* has earned certifications and credentials that are required to be explained in further detail.

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with Clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and Client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;



- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their Clients. CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Certified Divorce Financial Analysts® (CDFA): A designation awarded to people with experience in the unique financial circumstances that surround a divorce. The professional training for the certification is focused on understanding and estimating the long-term costs of a divorce.

- Experience - CDFA practitioners must have a minimum of three years work experience in a financial or legal capacity prior to earning the right to use the CDFA certification mark.
- Education - CDFA candidates must also develop their theoretical and practical understanding and knowledge of the financial aspects of divorce by completing a comprehensive course of study approved by the Institute for Divorce Financial Analysts™ (IDFA™).
- Examination - CDFA candidates must complete a four-part Educational Curriculum and Certification Exam that tests their understanding and knowledge of the financial aspects of divorce. The candidate must also demonstrate the practical application of this knowledge in the divorce process by completing a comprehensive case study.
- Ethics - CDFA practitioners agree to abide by a strict code of professional conduct known as the IDFA Code of Ethics and Professional Responsibility, which sets forth their ethical responsibilities to the public, Clients, employers and other professionals. The IDFA may perform a background check during this process and each CDFA candidate must disclose any investigations or legal proceedings relating to his or her professional or business conduct.
- Ongoing Certification Requirements - CDFA practitioners are required to maintain technical competence and to fulfill ethical obligations. Practitioners must pay an annual reinstatement fee. Every two years, they must complete a minimum of fifteen (15) hours of continuing education specifically related to the field of divorce.

In addition to the biennial continuing education requirement, all CDFA practitioners must voluntarily disclose any public, civil, criminal, or disciplinary actions that may have been taken against them during the past two years as part of the renewal process.

Certified Fund Specialist (CFS®): A designation that certifies an individual has received advanced training on mutual funds. Designees are able to evaluate and compare appropriate analytics of the funds when constructing a Client's portfolio. The following requirements are to be completed by each designee:

- Pass three exams
- Complete one open-book case study
- Fill out a registration form and complete a student questionnaire
- Sign a Code of Ethics
- Complete 2,000 hour of work experience in the financial services industry OR a Bachelor's Degree from an accredited college or university
- Complete 15 hours of continuing education annually

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### **Item 3 - Disciplinary Information**

- A. Mr. Faccone has never been involved in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction for which he:
1. Was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) misdemeanor that involved investments or an investment-related business, fraud, false statement or omissions, wrongful taking of property, bribery, perjury, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
  2. Is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
  3. Was found to have been involved in a violation of an investment-related statute or regulation; or
  4. Was the subject of any order, judgement or decree permanently or temporarily enjoining, or otherwise limiting, him from engaging in any investment related activity, or from violating any investment-related statute, rule, or order.
- B. Mr. Faccone never had an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which he:
1. Was found to have caused an investment-related business to lose its authorization to do business; or the subject of an order by the agency or authority;
  2. Was found to have been involved in a violation of an investment-related statute or regulation or was the subject of an order by the agency or authority (a) denying, suspending or revoking the authorization of the supervised person to act in an investment-related business; (b) barring or suspending his association with an investment-related business; (c) otherwise significantly limiting his investment-related activities; or (d) imposing a civil money penalty of more than \$2,500 on him.
- C. Mr. Faccone has never been the subject of a self-regulatory organization (SRO) proceeding in which he:

1. Was found to have caused an investment-related business to lose its authorization to do business; or
  2. Was found to have been involved in a violation of the SRO's rules and was: (a) barred or suspended from membership or from association with other members, or was expelled from membership; (b) otherwise significantly limited from investment-related activities; or (c) fined more than \$2,500.
- D. Mr. Faccone has not been involved in any other hearing or formal adjudication in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct.
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#### **Item 4 - Other Business Activities**

Mark A. Faccone has a financial affiliated business as an independent insurance agent. Approximately less than 5% of his time is spent on this activity. In addition, Mr. Faccone is a registered representative of LPL Financial LLC. Approximately 50% of this time is spent on this activity. He will offer Clients services from those activities. As an insurance agent and registered representative, he may receive separate yet typical compensation.

Finally, Mr. Faccone is an investment advisor representative of Fortis Group Advisors LLC. He will remain registered with Fortis Group Advisors LLC during the transition of clients to The PCAG. Minimal time will be spent on this activity.

These practices represent conflicts of interest because it gives an incentive to recommend products based on the commission amount received. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent, registered representative or investment advisor representative of their choosing.

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#### **Item 5 - Additional Compensation**

Mark A. Faccone receives commissions on the insurance and broker/dealer products he sells. He does not receive any performance-based fees.

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#### **Item 6 - Supervision**

Since Mark A. Faccone is the sole owner of The PCAG and he is solely responsible for all supervision and formulation and monitoring of investment advice offered to Clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual. He can be reached at [Mark A.Faccone@thepcag.com](mailto:Mark A.Faccone@thepcag.com) or 732-741-7711.

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#### **Item 7 - Requirements for State-Registered Advisors**

- A. Mr. Faccone has not been involved in any of the following:
1. An award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500 involving any of the following:
    - a) An investment or an investment-related business or activity;
    - b) Fraud, false statement(s) or omissions;
    - c) Theft, embezzlement or other wrongful taking of property;
    - d) Bribery, forgery, counterfeiting, or extortion;
    - e) Dishonest, unfair or unethical practices.
  2. An award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
    - a) An investment or an investment-related business or activity;

- b) Fraud, false statement(s) or omissions;
  - c) Theft, embezzlement or other wrongful taking of property;
  - d) Bribery, forgery, counterfeiting, or extortion;
  - e) Dishonest, unfair or unethical practices.
- B. Mr. Faccone has never been the subject of a bankruptcy petition