

## Item 1 - Cover Page

# ADV Part 2A

Wiley Bros. – Aintree Capital, LLC

40 Burton Hills Blvd., Suite 350

Nashville, TN 37215

615-255-6431

<http://www.wileybros.com>

<http://www.aintreecap.com>

March 23, 2020

This Brochure provides information about the qualifications and business practices of Wiley Bros. - Aintree Capital, LLC, referred to herein as (Wiley, our, us or we). When we use the words “you”, “your” and “client” we are referring to you as our client or our prospective client. We use the term “IAR” when referring to all individuals providing investment advice on our behalf. If you have any questions about the contents of this Brochure, please contact us at 615-255-6431. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Wiley is a registered investment adviser. The registration of an investment adviser does not imply any level of skill or training. The oral and written communications made to you by Wiley, including the information contained in this Brochure, should provide you with information to determine whether to hire or retain Wiley as your adviser.

Additional information about Wiley is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with, registered, and required to be registered, as investment adviser representatives of Wiley.

## **Item 2 - Material Changes**

There have been no material changes to the Firm's Form ADV Part 2A Brochure since the last annual update dated June 4, 2019. This Brochure does include some minor editorial changes.

Our Brochure may be requested by contacting Cindy Star at 615-255-6431. It is also available, free of charge, on our web site: <http://www.wileybros.com> or <http://www.aintreecap.com> .

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## **Item 4 - Advisory Business**

### ***Ownership***

The principal beneficial owners of Wiley are David W. Wiley, Jr. and David Wiley, III. Wiley has been in the financial service industry since 1945 through successor companies, and has been registered with the SEC since 1990.

### ***Assets Under Management***

As of December 31, 2019

Wiley client assets managed on a discretionary basis - \$267,049,935.16

Wiley client assets managed on a non-discretionary basis - \$109,343,779.53

### ***Investment Products***

Wiley will recommend various investments to clients based upon a review of each client's investment needs. These investments include but are not limited to:

- Equity Securities (exchange-listed, over the counter, foreign issuers)
- Warrants
- Corporate Debt Securities (including Floating Rate Notes)
- Commercial Paper
- Certificates of Deposits
- Municipal Securities
- Investment Company Securities (Variable Life Insurance, Variable Annuities, Mutual Fund Shares)
- United States Government Securities
- Option Contracts on Securities
- Interests in Partnerships investing in real estate, oil and gas, and others
- Exchange Traded Funds and Exchange Traded Notes

Wiley may occasionally offer investment advice relating to interests in securities issued by entities whose securities are not registered with the SEC, including private funds. Wiley does not sponsor or manage any private funds

### ***Advisory Programs***

#### **Portfolio Manager Selection**

Wiley provides investment management of customer securities assets through various types of advisory programs summarized below. Wiley sponsors the investment advisory programs set forth below to address the investment needs of its clients. Customers have the option to select an IAR of Wiley to manage your portfolio on a discretionary or non-discretionary basis. Customers may choose an investment manager for which Wiley has performed due diligence, or they may select a portfolio manager that has not been reviewed by Wiley.

The various advisory programs described below may cost the client more than if they separately purchased advisory services outside of a particular program, paid for transaction execution services, paid for third party investment management outside of the programs described below. The factors that can bear upon the relative cost of the service or program include the cost of the services if provided separately, the trading activity in the client's account based upon client's investment objectives and type of securities for which the client is invested.

### ***1.) Discretionary Advisory Program***

Wiley provides discretionary investment advisory services to some of its clients through its Investment Advisory Services Program ("Discretionary Advisory Program"). Through the Discretionary Advisory Program, Wiley manages the investment and reinvestment of the clients' portfolio assets on a discretionary basis. Wiley will obtain a New Customer Account Agreement Form from each client in order to determine how to advise clients on the assets in the account. An IAR may also recommend asset allocation targets to clients.

When an IAR manages on the advisory platform, and when agreed to in the client agreement, Wiley may charge a cents per share or a transaction fee, in addition to the annual advisory fee, to cover brokerage charges incurred by Wiley and assessed to the IAR. This creates a conflict of interest. The firm monitors the activities of these IARs to confirm that the portfolio holdings are consistent with the investment objectives of the client and that the IAR's trading activity is consistent with the IAR's fiduciary duty to the client. Please refer to Fee Schedule in Item 5 – Fees and Compensation for additional information concerning charges for this program.

### ***2.) Non-Discretionary Advisory Program***

Wiley provides non-discretionary investment advisory services to some of its clients through its Investment Advisory Services Program ("Non-Discretionary Advisory Program"). Through the Non-Discretionary Advisory Program, Wiley manages the investment and reinvestment of the clients' portfolio assets on a non-discretionary basis. Wiley will obtain a New Customer Account Agreement Form from each client in order to determine how to advise clients on the assets in the account. An IAR may also recommend asset allocation targets to clients.

When an IAR manages on the advisory platform, and when agreed to in the client agreement, Wiley may charge a cents per share or a transaction fee, in addition to the annual advisory fee, to cover brokerage charges incurred by Wiley and assessed to the IAR. This creates a conflict of interest. The firm monitors the activities of these IARs to confirm that the portfolio holdings are consistent with the investment objectives of the client and that the IAR's trading activity is consistent with his fiduciary duty to the client. This conflict is not as profound with respect to the non-discretionary advisory program as the client approves all transactions prior to execution. Please refer to Fee Schedule in Item 5 – Fees and Compensation for additional information concerning charges for this program.

### ***3.) Managed Account Command Program (Command/Lockwood)***

Wiley provides investment advisory services to some of its clients through a managed

account program referred to as the Managed Account Command Program. An IAR will assist the client in determining the suitability of the program for the client and then assist in determining the most suitable investment management firm, within the program, for the client.

The IAR is compensated through a comprehensive advisory fee, up to 3% annually. From this fee, Lockwood platform charges and manager charges are deducted, both of which vary based on the amount of assets under management and each individual investment manager and strategy. For more information on these costs, please contact your IAR.

The account may be assessed other charges associated with conducting a brokerage business, including charges imposed by third parties. Please refer to Fee Schedule in Item 5 – Fees and Compensation for additional information concerning these charges.

#### ***4.) 1042 Consulting***

Wiley provides discretionary investment advisory services for some of its clients who desire assistance with establishing a strategy and executing that strategy relating to the acquisition and management of an investment portfolio of Qualified Replacement Property (QRP) in accordance with Internal Revenue Code Section 1042. Wiley assists clients seeking such a strategy to identify and purchase qualifying securities, determine if financing is needed for purchasing QRP, provide ancillary services, such as coordinating and negotiating with various financial and investment firms and other third parties in connection with the acquisition of QRP, and to prepare statements of purchases and summary reconciliations to assist clients with administrative requirements.

With respect to the 1042 Consulting program, Wiley charges a fee for the services plus brokerage commissions if a securities brokerage account is established by the client with Wiley. If a brokerage account is established it may be assessed other charges associated with conducting a brokerage business, including charges imposed by third parties. Please refer to Fee Schedule in Item 5 – Fees and Compensation for additional information concerning these charges.

#### ***5.) Private Manager Program***

Wiley provides client access to third party investment managers for the discretionary investment management of client accounts and assets (“Private Manager Program”) for which Wiley has entered into advisory agreements with third party registered investment advisers / sub-advisor (“Investment Managers”) to offer the investment management and advisory services to clients of Wiley. Under these agreements, .30% is paid to the respective Investment Manager.

Wiley performs due diligence reviews on the Investment Managers. Executed agreements are on file for each arrangement with a designated Investment Manager under the Private Manager Program. Additional information regarding these advisory arrangements will be disclosed by Wiley at or before the time the clients execute Client Agreements by delivery of the Form ADV Part 2A for Wiley and the respective Investment Manager.

In some cases, Wiley and its representatives have and will provide broker-dealer or investment services to the Investment Managers or their clients, including but not limited to executing trades of stocks and bonds for accounts not associated with the Private Manager Program for which both Wiley and the Investment Manager are compensated. **Please note that payment of such compensation to us and our representatives creates a conflict of interest and may**



**provide an incentive for us to recommend Investment Managers who obtain additional investment services or recommend that their clients obtain such services from us. Although we and our representatives commit to acting in your best interests, the existence of such compensation could encourage us to make an unnecessary referral or cause us to withhold information about an alternative option that doesn't provide equivalent compensation.** We try to minimize this conflict by requiring any representative making such a referral to complete a Subadvisor Suitability Statement.

Under this advisory program, and when agreed to in the client agreement, Wiley may charge a cents per share or a transaction fee, in addition to the annual advisory fee, to cover brokerage charges incurred by Wiley and assessed to the IAR. The account may be assessed other charges associated with conducting a brokerage business, including charges imposed by third parties. Please refer to Fee Schedule in Item 5 – Fees and Compensation. for additional information concerning these charges.

### **Participating Private Managers**

1.) *InterOcean Capital, LLC.* InterOcean Capital, LLC (IOC), is an investment adviser who participates in the Private Manager Program. IOC receives a fee and Wiley receives a fee. The cost of brokerage commissions or fees on transactions executed with and away from Wiley shall be borne by the client. Client is referred to IOC's Form ADV Part 2A for a complete discussion and disclosure regarding its programs and fees.

From time to time, Wiley may recommend other third party Investment Managers to its clients in addition to those described above.

### **Third Party Portfolio Manager Selection**

Investment Managers are generally selected utilizing one of three standards or methodologies. First is through manager recommendations from trusted industry professionals for different asset models/investment styles in line with client objectives and goals.

Second is done by screening various managers with whom our IARs are familiar. The managers are analyzed based on various characteristics, including, but not limited to, investment style, performance and risk. Due diligence information is gathered and reviewed.

The third methodology is through the utilization of other manager selection platforms that are provided by third party service providers, including Lockwood. For complete details regarding the investment philosophy and methodology used by these firms, you should refer to Form ADV and/or other disclosure documentation which is made available by the respective firm.

All third party managers are subject to annual due diligence reviews by Wiley for which information is requested of the respective Investment Managers. Other than the diligence steps described above, we assume no responsibility for the selection of the Investment Manager or the suitability of the recommendations made by any Investment Manager.

### **Performance Review**

Neither Wiley nor any third-party reviews the portfolio and/or Investment Manager

performance information to determine or verify its accuracy or its compliance with presentation standards. Additionally, you should be aware that performance information may not be calculated on a uniform and consistent basis.

### **Information about Fees**

Wiley will generally assess advisory clients a negotiable fee that may consist of:

(1) an advisory fee, based on a specified percentage of the client's assets under management; and Investment Manager may assess a second component consisting of (a) investment management fee, based on a specified percentage of the client's assets under management; and (b) performance fees, based on the performance of each Investment Manager selected by a client relative to the stated benchmark index.

See the section entitled " Item 6 - Performance-Based Fees and Side-By-Side Management " for additional important information about the Third-Party Manager Advisory Program and applicable fees.

### **Advisory Representative Disclosure**

In addition to Wiley, the IAR affiliated with Wiley who recommends the advisory program to the client receives compensation as a result of the client's participation in the program. The amount of this compensation can be more than what the IAR would receive if the client participated in our other programs or paid separately for investment advice, brokerage, and other services. Therefore, IARs may have a financial incentive to recommend the advisory program over other programs or services. However, Wiley's policies and procedures attempt to mitigate this conflict of interest through the annual review of advisory accounts. IARs are required to complete a suitability form which details the additional services and attention which is given to an account over and above any transactions.

## ***Other Advisory Services***

### ***Overview***

In addition to the investment management advisory services described above, Wiley may also offer the following advisory services:

- Furnish Advice Not Involving Securities
- Financial Planning
- Pension Consulting Services
- Research Report Services
- Publication of Newsletters or Periodicals
- Educational Seminars
- Consulting

### ***Furnish Advice Not Involving Securities***

Wiley's financial planning services described above may include advice to individual clients relating to non-securities matters such as savings plans, spending habits, etc...

### ***Financial Planning***

Wiley also provides financial advisory services to certain clients, including general financial planning and investment planning.

### ***ERISA 3(21) Investment Adviser Services***

Wiley provides analysis and advice to the plan sponsor of its ERISA plan clients, but is not responsible for the investment management of any ERISA plan investment assets, and does not have investment discretion with respect to these accounts. We refer to our services as ERISA 3(21) Investment Adviser Services. Wiley tailors the ERISA 3(21) Investment Adviser Services to the specific services requested by an ERISA plan sponsor. These services may be comprised of various non-discretionary investment advisory services, which may include but are not limited to any or all of the following services:

- Providing investment education and educational materials;
- Assisting Plan Sponsor with meeting “broad range of investment alternatives” requirement under ERISA Section 404(c);
- Performance Monitoring of assets, selected by Plan Sponsor and offered to Plan Participants;
- Assisting Plan Sponsor in the event the Sponsor chooses to make a change to recordkeeper; or
- Participant Education Meetings with Plan Sponsor.

### ***Research Report Services***

A related person of Wiley prepares a weekly market commentary and generally charges a fee of \$500.00 a month for this service. This report is technical in nature and the firm does not advertise the availability of this report.

### ***Publication of Newsletters or Periodicals***

Related persons of Wiley prepare newsletters which are mailed periodically to clients and prospective clients. A variety of financial planning topics may be covered within these newsletters.

### ***Educational Seminars***

A related person of Wiley holds Educational Seminars, several times per year. Topics presented in each seminar include Retirement Planning, Estate Planning, and General Market Overview.

### ***Consulting***

Wiley provides advice on the investments of the clients held by Wiley, as well as those accounts held outside of Wiley. Advice is based on client’s needs, objectives and instructions, and can include advice on the selection of independent investment managers who will also provide investment management services regarding specific investments.

### ***Investment Objectives***

The clients' investment objectives are initially determined based on financial information furnished by the clients together with consultation between the clients and the IAR. Copies of the financial information and the investment objectives are furnished to the selected investment managers if requested by the client.

### ***Termination***

Generally, the relationship between Wiley and its clients can be terminated by either party upon 30 days written notice.

### ***Education***

Our advisory personnel are expected to have education and business backgrounds that enable them to perform their respective responsibilities effectively. In assigning responsibilities, we consider academic background (including studies in college and graduate schools, as well as degrees earned), industry training, licenses and certifications. Work experience in a related field, such as investments, commodities, insurance, banking or accounting, is also considered. No formal, specific standards have been set, but appropriate education and experience are required. See Form ADV Part 2B Brochure Supplement for additional information on each IAR.

## **Item 5 - Fees and Compensation**

### ***Fee Types***

Based on the services provided, we are compensated for investment services by the following means:

- ☐ A percentage of Assets under Management
- ☐ Hourly charges
- ☐ Subscription fees (for a newspaper or periodical)
- ☐ Fixed fees (other than subscription fees)
- ☐ Commissions
- ☐ Transaction Fees
- ☐ 12b-1 Fees
- ☐ Performance based fees

### ***Fee Schedule***

Although many fees are individually negotiated, some common fees are included on our fee schedule for your review and described further below:

Fee Type	Fee Cost	Fee Charged
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Advisory Fee	The client shall pay an annual advisory fee based on a percentage of assets under management, to be capped at 3.0%. Other fees associated with conducting brokerage business may also be charged. (see Transaction Costs and Fees, etc... and Third Party Fees below)	Generally, paid in advance on a monthly or quarterly basis as agreed to by Client and Wiley
Financial Planning Fee	These services are billed at an hourly rate or as a fixed fee as agreed upon with client. Wiley may waive its fee in its sole discretion. An initial deposit for the minimum time available, one hour, may be required upon the engagement by the advisory client. The remaining fee is payable upon delivery of the financial plan to client.	As agreed to by Client and Wiley
1042 Consulting Fee	These services are billed a fee as agreed upon with client. In addition, brokerage commissions may be charged in the event the client establishes a brokerage account with Wiley to purchase securities. Additional fees associated with an account opened with Wiley are detailed below. (see Transaction Costs and Fees, etc... and Third Party Fees below)	As agreed to by Client and Wiley
Research Report Service Fee	A related person of Wiley prepares a weekly Market Commentary and generally charges a fee of \$500.00 / month for this service.	Generally, paid in advance monthly
Pension Plan Educational Services	The fees paid are in an amount not to exceed 3.0% multiplied by the market value of the plan assets as of the last day of the preceding quarter. The fees for this service are generally paid to Wiley by the plan sponsor quarterly in advance.	As agreed to by Client and Wiley
Consulting	Negotiated	Paid as negotiated and agreed to by Client
Brokerage Fees	See Item 14 - Client Referrals and Other Compensation for information regarding brokerage fees.	
Performance Reporting Fees	Fees charged for performance reporting may be passed through to the client. This fee is disclosed in the advisory agreement and is subject to change.	As agreed to by Client and Wiley

Transaction Costs and Fees, Third Party transaction and clearing, other Direct Out-of-Pocket Costs incurred as a result of WBAC providing services in accordance with Client Agreements	Generally commissions paid are in an amount up to \$0.06/share with a \$45 minimum for equity transactions and/or up to \$90 per transaction. In some cases, bonds are purchased as principal with a mark-up, in which case written disclosure is made and client consent is obtained prior to the transaction. Bonds are primarily purchased on an agency basis and may charge a commission if disclosed and agreed to by client. A general range is provided for transaction fees as fees may vary from client to client due to the particular circumstances of the client, additional or differing levels of servicing, or as otherwise contractually agreed upon with specific clients. Wiley will receive transaction-based compensation from clients from such transactions. Wiley charges a \$6.85 service charge for each transaction. Additionally, Pershing charges advisory clients who elect to receive paper confirmations, \$0.75 per transaction, which results in the service charge set out above to be \$7.60 per transaction. Pershing charges \$0.75 per statement for advisory clients who elect to receive paper statements. Pershing also charges \$8 per mutual fund exchange/conversion. Transfer taxes or other charges mandated by law will be separately charged to the client's account. Wiley will also be entitled to reimbursement from client for all costs and expenses (including taxes) incurred by Wiley in providing its investment advisory services to clients.	As Agreed to by Client and contemporaneously at time of trade or incurrence by Wiley of cost
Third Party Fees	Including but not limited to BlackDiamond Performance Reporting fees, reorganization fees, clearing costs, other direct out-of-pocket expenses incurred by Wiley, 12b-1 distribution fees, servicing fees, sub-accounting fees, management fees, expense risk, administration fees, contingent deferred sales charges (CDSC charges) that are incurred even if the shares are converted to a different share class rather than sold within a particular period of time, and surcharge fees in connection with mutual purchases and redemptions.	Contemporaneously at time of trade or incurrence by Wiley of cost

### ***General Information***

The standard investment advisory contract has an initial term of one year and is automatically renewed for an unlimited number of one-year terms.

### ***Advisory Fee Computation***

Wiley's fees are generally payable monthly or quarterly, in advance and shall be calculated by multiplying the value of the assets under management by the appropriate annual fee rate set forth in the fee schedule. Generally, the monthly payment will be calculated by multiplying the value of the account shown on the last monthly statement by the negotiated fee. This amount is then divided by 365 days (366 during leap year) and multiplied by the exact number of days in that

month. Generally, the quarterly payment will be calculated by multiplying the value of the account shown on the last monthly statement for the preceding calendar quarter by the negotiated fee. This amount is then divided by 365 days (366 during leap year) and multiplied by the exact number of days in that quarter.

However, if the account(s) also uses Black Diamond Performance Reporting for billing purposes, the quarterly payment is generally calculated by multiplying the value of the assets in the Client Account(s) as of the last day of the preceding calendar quarter by the Annual Fee. That amount is then divided by four (4) to compute the quarterly payment. In either case, the fees shall generally be payable in advance and such fees are generally deducted from client's account(s) quarterly or as appropriate within thirty (30) days from the beginning of the quarter for which said fees will be incurred. Similarly, if the account(s) uses Black Diamond Performance Reporting for billing, the monthly payment will be calculated by multiplying the value of the assets in the Client Account(s) as of the last day of the preceding calendar month by the Annual Fee. That amount is then divided by twelve (12) to compute the monthly payment.

Accounts opened in mid-quarter or mid-month may be assessed a pro-rated management fee. In this case, the market value of the assets under management shall be based on the market value of account assets on the effective date of the agreement. If the account has not been funded on the effective date, the initial prorated billing amount will be manually calculated based on the market value once the account is funded. Upon termination of a customer's account, a pro-rated management fee is returned to the account for the portion of the period remaining between the effective date of termination and the end of the billing period.

While the annual fee for Wiley's services and the services of the Investment Advisor is generally computed and paid in advance on a monthly or quarterly basis, at the direction of client, it may be computed and paid in arrears and/or on an annual basis.

### ***Employee Accounts***

With regard to employee and/or employee related accounts and certain other accounts, the quarterly fees are generally less, depending upon a number of factors, including portfolio size, length of employment and relationship to the employee.

### ***Mutual Funds***

To the extent mutual funds are selected to fill components of the overall investment strategy, the annual advisory fee set forth above does not include the customary fees and expenses associated with investing in mutual funds or other costs of establishing and maintaining an account with mutual funds including 12b-1 fees and expenses. Generally, it is the Firm's policy that 12b-1 fees not be paid to the IAR or to the Firm and that if they are paid to the aforementioned parties, they are to be credited to the Client account.

In some, circumstances, the Firm and or the IAR may receive 12b-1 fees, but receipt of such fees will require disclosing this conflict of interest on Client Agreements. Client is advised that, in addition to the annual advisory fee set forth above, each mutual fund in which assets are invested will incur separate investment advisory fees and other expenses for which Client will bear a proportionate share. Mutual Fund and ETF securities carry inherent costs and expenses for

operating, redemption, and management they may also be subject to contingent deferred sales charges (CDSC charges) that are incurred even if the shares are converted to a different share class rather than sold within a particular period of time. Certain funds may assess to clients a mutual fund surcharge in connection with purchases and redemptions. Please contact our office for more information or to request individual prospectuses for additional information on these fees.

Firm procedures contain a process by which mutual fund share classes available for advisory clients are periodically reviewed. Different classes of mutual fund investments assess different fees. As a fiduciary, WBAC and the Portfolio Managers advise Clients as to the most suitable share class for a particular Client, but the most suitable share class may not be the lowest priced share class, depending upon a particular Client's situation

### ***Transaction Costs and Fees***

When agreed to in the Client Agreement, a client may be charged a cents per share or a transaction fee, in addition to the annual advisory fee, to cover brokerage charges assessed to the IAR. A client may also be charged ticket charges per transaction as well as postage and handling fee.

### ***Fee Disclosures***

Fees are generally negotiable at the discretion of the IAR, which may result in different fees being charged for accounts similar in makeup and objectives. Consideration is also given to other accounts related to, or affiliated with the client, which can result in lower fees being charged for accounts similar in makeup and objectives. Based upon your investment portfolio and investment strategy implemented, the costs associated with an advisory account can exceed the commissions you would pay for brokerage services only.

### ***Conflicts of Interest***

In addition to the compensation for investment services described above, we are also compensated for providing other financial services as described in Item 10 – Other Financial Industry Activities and Affiliations and Item 14 – Client Referrals and Other Compensation. Our charges for investment services and for other financial services will include a reasonable profit for Wiley and our representatives. **This profit incentive creates a conflict of interest that could influence Wiley and its investment advisor representatives to recommend opening or maintaining accounts that may have higher costs or less favorable services than other suitable alternatives which do not provide equivalent compensation to Wiley or its representatives.**

Wiley has established various policies and processes to address these conflicts of interest, including the following:

- ☐ Disclosure to our clients of investment advisory fees described above;
- ☐ Specific procedures to monitor performance-based fee arrangements, as described in Item 6;
- ☐ Clients have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with Wiley;



- ☐ Disclosure to our clients of additional fees charged for brokerage services, as described in Item 5 and Item 10;
- ☐ Disclosure of 12b-1 Fees, as described in Item 5
- ☐ Procedures governing brokerage practices, as described in Item 12;
- ☐ Disclosure of compensation Wiley may receive for the referral of clients to third party providers, as described in Item 4 and Item 14;
- ☐ Suitability review process at the time an account is opened;and
- ☐ Periodic account reviews after an account is opened.

It is the Firm's policy to seek, for its clients, the best possible executions, at all times, and in all types of equity markets. It is currently the Firm's policy to predominantly act on an agency basis for customer transactions. In the event the Firm must act as principal, such transactions will be agreed to, by the client, in advance of each trade. Best Execution scrutiny is given to those agency orders and executions handled on behalf of our clients. All executions of customer orders will be checked against market prices at the time of execution for Best Execution compliance by the Equity Trading Principal as part of the standard daily review process.

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

### ***Overview***

In some cases, Wiley has entered into performance fee arrangements (Performance Fee) with qualified clients based upon individualized negotiation with each such client. Wiley will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisors Act of 1940 (Advisors Act) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring clients' assets for the calculation of Performance Fees, we include realized and unrealized capital gains and losses.

### ***Performance Manager Program Fees***

Performance Manager Program Fees are a negotiable fee generally assessed to advisory clients that may consist of three components:

#### ***Advisory Fee***

The Advisory Fee is computed as a percentage of the gross assets under management in the account with a cap of 3.0% per annum. The amount of assets in the Client Account each quarter shall be based on the value of assets on the last trading day of each month during the quarter. Generally, fees are negotiable at the discretion of the IAR, which may result in different fees being charged to other client accounts, similar in makeup and objectives.

#### ***Performance Fees***

Performance Fees are individually negotiated and generally based on the performance of each IAR or sub-advisor selected by a client relative to the stated benchmark index or High

Water Mark. The client generally pays an annual performance fee in an amount of up to 20% of the net excess appreciation on the securities in the account over and above the Index or High Water Mark and net of all fees, commissions and the advisory fee. However, if the client's securities underperform the Index, Wiley will not collect a performance fee until the cumulative net excess appreciation on the securities in the account exceeds the last high watermark from the effective date of the agreement.

If the account is terminated during a period of underperformance, Wiley will not be required to refund any portion of the performance fee already paid by the client.

### ***Conflicts of Interests***

Performance based fee arrangements create an incentive for Wiley to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. Wiley has designed and implemented procedures to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

### ***Side-By-Side Management***

We do not engage in Side-By-Side Management.

## **Item 7 - Types of Clients**

We offer portfolio management and investment advice to the following types of clients:

- ☐ Individuals
- ☐ Families
- ☐ High net worth individuals / families
- ☐ Pension and profit sharing plans (other than participants)
- ☐ Charitable organizations
- ☐ Foundations
- ☐ Universities
- ☐ Trusts
- ☐ Estates
- ☐ Private business owners
- ☐ Corporations / Partnerships

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

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

### ***Analysis Methods***

Security analysis methods utilized by Wiley include the following:

### ***Fundamental***

Fundamental analysis maintains that markets may misprice a security in the short run, but that the "correct" price will eventually be reached by the market. The fundamental analysis of a business involves analyzing a business's financial statements and health, management and competitive advantages, and competitors and markets. When applied to futures and forex, it focuses on the overall state of the economy, interest rates, production, earnings, and management.

### ***Technical***

Technical analysis maintains that all information is already reflected in the stock price. Technical analysis is a discipline for forecasting the direction of prices through the study of past market data, primarily price and volume. Generally, technical analysis employs models and trading rules based on price and volume transformations, such as the relative strength index, moving averages, regressions, inter-market and intra-market price correlations, business cycles, stock market cycles or, classically, through recognition of chart patterns.

### ***Sources of Information***

The main sources of information that Wiley uses to analyze these investment strategies are:

- ☐ Financial newspapers and magazines
- ☐ Research materials prepared by others
- ☐ Annual reports, prospectuses, filings with the SEC
- ☐ Company press releases
- ☐ Electronic Subscriptions

### ***Investment Strategies***

The investment strategies Wiley uses to implement any investment advice given to clients includes the following:

- ☐ Long term Purchases (securities held at least a year)
- ☐ Short term purchases (securities sold within a year)
- ☐ Trading (securities sold within 30 days)
- ☐ Option buying and writing, including covered options, uncovered options or spreading strategies
- ☐ Utilization of Alternative Investments (Partnerships, Hedge Funds, etc.)

### ***Investment Strategy Risks***

#### ***General Risks***

##### **Lack of Diversification**

Portfolio investments may be concentrated and diversification may be limited. There are no limits with respect to position sizes. Any assets or combination of assets that can be held in a securities account can be purchased or sold.

##### **Liquidity**

The Portfolio may be invested in liquid and illiquid securities. You should be aware that liquid securities may become less liquid during the holding period.

### **Cash and Cash Equivalents**

Accounts may maintain significant cash positions from time to time and the client will pay the Annual Investment Management Fee based on the net asset value of the Account, which may include cash and cash equivalents. Furthermore, the Account may forego investment opportunities to hold cash positions if we consider it in the best interests of the Accounts.

### **Leverage**

You may determine to use leverage in investing. Such leverage may be obtained through various means. The use of short-term margin borrowings may result in certain additional risks to Accounts. For example, should the securities pledged to a broker to secure a margin account decline in value, a “margin call” may be issued pursuant to which additional funds would be required to be deposited with the broker or the broker would affect a mandatory liquidation of the pledged securities to compensate for the decline in value. The client would be responsible for any tax liability incurred from said mandatory liquidation. We might not be able to liquidate assets quickly enough to pay off the margin debt and the Accounts may therefore also suffer additional significant losses as a result of such default. Although borrowing money increases returns if returns on the incremental investments purchased with the borrowed accounts exceed the borrowing costs for such accounts, the use of leverage decreases returns if returns earned on such incremental investments are less than the costs of such borrowings.

### **Interest Rate Fluctuation**

The prices of securities in which the Advisor may invest are sensitive to interest rate fluctuations and unexpected fluctuations in interest rates could cause the corresponding prices of the long and short portions of a position to move in directions which were not initially anticipated. In addition, interest rate increases generally will increase the interest carrying costs of borrowed securities and leveraged investments.

### ***Long term Purchases (securities held at least a year)***

#### **Liquidity**

The portfolio will be invested in liquid securities and private investments are not permitted. It is possible, however, that securities become less liquid during the holding period.

### ***Short term purchases (securities sold within a year)***

#### **Market Risks**

The success of a significant portion of the program will depend, to a great extent, upon correctly assessing the future course of the price movements of the securities traded. There can be no assurance that the trading program will be able to predict accurately these price movements. Additionally, over time, the effectiveness of the trading program may decline for many reasons including other market participants developing similar programs or techniques.

### ***Trading (securities sold within 30 days)***

#### **Market Risks**

The success of a significant portion of a trading program will depend, to a great

extent, upon correctly assessing the future course of the price movements of the securities traded. There can be no assurance that the trading program will be able to predict accurately these price movements. Additionally, over time, the effectiveness of the trading program may decline for many reasons including other market participants developing similar programs or techniques.

### **Trading is Speculative**

There are risks involved in trading securities. Market movements are difficult to predict and are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the inherent volatility of the marketplace. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument markets and such intervention (as well as other factors) may cause these markets to move rapidly.

### **Options and Other Derivatives**

We may purchase or sell options, warrants, equity related swaps or other derivatives that trade on an exchange. Both the purchasing and selling of call and put options entail risks. An investment in an option may be subject to greater fluctuation than an investment in the underlying securities. The effectiveness of purchasing or selling stock index options as a hedging technique depends upon the extent to which price movements in the portion of the Accounts' hedged correlate with price movements of the stock index selected. Because the value of an index option depends upon movements in the level of the index rather than the price of a particular security, whether an Account realizes a gain or loss will depend upon movements in the level of security prices in securities markets generally rather than movements in the price of a particular security.

### **Uncovered Risks**

We may employ various "risk-reduction" techniques designed to minimize the risk of loss in Accounts. Nonetheless, substantial risk remains that such techniques will not always be possible to implement and when possible, will not always be effective in limiting losses. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions or prevent losses if the value of such positions decline, but utilize other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedge transactions also limit the opportunity for gain if the value of a portfolio position should increase. Moreover, it may not be possible for us to hedge against a fluctuation that is so generally anticipated that we are not able to enter into a hedging transaction at a price sufficient to protect from the decline in value of the portfolio position anticipated as a result of such a fluctuation. The success of the hedging transactions will be subject to the ability to correctly predict market fluctuations and movements. Therefore, while we may enter into such transactions to seek to reduce risks, unanticipated market movements and fluctuations may result in a poorer overall performance for the Accounts Portfolio than if we had not engaged in any such hedging transactions. Finally, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio position being hedged may vary.

### ***Utilization of Alternative Investments***

Alternative investment products, including hedge funds, commodity hedged accounts and managed futures, involve a high degree of risk, often engage in leveraging and other speculative investment practices that may increase the risk of investment loss, can be highly illiquid, are not required to provide periodic pricing or valuation information to investors, may involve complex tax structures and delays in distributing important tax information, are not subject to the same regulatory requirements as mutual funds, often charge high fees which may offset any trading profits, and in many cases the underlying investments are not transparent and are known only to the investment manager.

## **Item 9 - Disciplinary Information**

Wiley accepted a Letter of Acceptance, Waiver and Consent (AWC) October 1, 2010 from FINRA in regard to a late trade reporting in violation with Rule G-14 in the first quarter of 2009. The Firm was also fined \$7,500.

Wiley accepted a Letter of Acceptance, Waiver and Consent (AWC) October 15, 2015 from FINRA in regard to the Firms failure to establish, maintain and enforce a supervisory system and adequate written supervisory control procedures reasonably designed to review and monitor the transmittals of funds from a customer account to employees of the firm. The Firm was also censured and fined \$35,000.

WBAC failed to time report to the Ohio Department of Insurance two FINRA administrative penalties imposed on Adviser, one in 2010 and one in 2015. On November 24, 2004, WBAC inaccurately marked "no" when asked if it had been involved in an administrative action and in 2012, 2013, and 2015, the Firm inaccurately marked "no" when asked if it has been involved in an administrative action that had not been previously reported to the Department. WBAC was ordered to pay a fine of \$400 and administrative costs of \$100. The firm paid the fine and the costs in full on August 30, 2016. The firm executed a consent order relating to the above described allegations with the Ohio Department of Insurance dated June 6, 2016 and paid the \$400 fine and \$100 administrative charge to the Department on August 30, 2016.

In a related matter, WBAC entered into a Voluntary Settlement Agreement with the North Carolina Department of Insurance whereby the firm paid a fine of \$1,250.00. The agreement was entered into on January 23, 2017 and the fine has been paid in full. This Voluntary Settlement was for the failure to disclose the items referenced above and inaccurately answering questions on Insurance registration and renewal forms.

Additional information regarding each disciplinary event is available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## Item 10 - Other Financial Industry Activities and Affiliations

### ***Broker Dealer***

Wiley is registered as a broker-dealer with the SEC and various state jurisdictions, and is a member of the Financial Industry Regulatory Authority (FINRA). Advisory personnel of Wiley are generally also registered representatives as to the brokerage activities of Wiley.

Our broker dealer can be used to execute portfolio transactions for our investment advisory clients. These transactions will be conducted subject to proper, and customary, disclosure including (but not limited to) compensation received by Wiley and its registered representatives. Compensation will be received by Wiley, as a broker-dealer, and/or its registered representatives when portfolio transactions are effected on behalf of investment advisory clients, and Wiley and its registered representatives generally receive compensation as a result of acting in one or both capacities. Additionally, Wiley, as a broker-dealer, may act in a principal capacity and buy securities for itself from, or sell securities it owns to clients of Wiley, at which time commissions and or other markups/markdowns may be charged to those clients. Clients will always be notified and asked to provide prior written consent prior to Wiley acting in a principal capacity.

### ***Municipal Advisor / Underwriter***

Wiley is registered with the Municipal Securities Rulemaking Board (“MSRB”) as a Municipal Advisor. **To the extent Wiley represents a municipal entity as a consultant or in an underwriting capacity, and recommends those municipal securities to you, there is a conflict of interest as there is an incentive for Wiley and its representatives to recommend municipal products based on the compensation received, rather than on your needs.** We manage this conflict of interest by monitoring the suitability of such municipal product as a portion of your investment needs, and by utilizing municipal products that we believe to be in your best interest.

### ***Insurance***

Wiley is licensed in certain states, including Tennessee, to sell insurance products and certain associated persons of ours are licensed insurance brokers, and as such, do on occasion sell insurance products to our advisory clients. **When such transactions occur, the associated person receives insurance commissions for such activities. This creates a conflict of interest as there is an incentive for Wiley and or its representatives to recommend insurance products based on the compensation received, rather than on your needs.** We manage this conflict of interest by monitoring the suitability of such insurance products as a portion of your investment needs, by utilizing insurance products only where it is your best interest, and after consultation with you regarding the insurance products, which consultation includes the disclosure of such potential conflicts in accordance with our fiduciary duty as your adviser.

### ***Other Financial Industry Activities or Affiliations***

Wiley has no other Financial Industry Affiliations.

## ***Other Activities***

Wiley and certain of its principal executive officers can engage in the following activities:

- ☐ As a principal, effecting securities transactions for compensation for advisory clients who do not otherwise designate another brokerage firm to perform such services. In this role, Wiley may buy securities for itself from clients or sell securities it owns to clients. When a principal transaction occurs, we will disclose to the client, in writing before the completion of the transaction, the capacity in which we are acting, and will obtain the consent of the client to such transaction. Wiley may purchase initial public offerings for certain advisory client accounts who have expressed an interest in the purchase of these issues. Wiley has procedures in place to include its current practice of allocating these offerings.
- ☐ As a broker or agent, effecting securities transactions through Wiley for compensation for advisory clients of Wiley and registered investment advisers, investment managers or sub-advisors who do not otherwise designate another brokerage firm to perform such services.
- ☐ As a broker, effecting agency cross transactions through which client securities are sold to or bought from a brokerage or advisory customer.
- ☐ Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☐ Buying or selling of securities for its account that it also recommends to clients.

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

Wiley has adopted a Code of Ethics to ensure that securities transactions by Wiley's employees are consistent with Wiley's fiduciary duty to its clients and to ensure compliance with legal requirements and Wiley's standards of business conduct. The Code requires that employees obtain prior approval to open brokerage accounts and requires transaction confirmations and quarterly reporting of all personal securities transactions. A written copy of Wiley's Code of Ethics is available upon request.

Additionally, as a matter of policy Wiley will not permit itself or its employees to trade in front of or in any manner that is prejudicial or disadvantageous to advisory clients. Similarly, if we are participating in an underwriting or sale of limited partnership interests, we will not generally recommend these securities to discretionary advisory accounts without prior consent of client on each transaction. Personal trading by our employees are required to be conducted in compliance with all applicable laws and procedures adopted by us. We allow affiliated persons to participate in aggregate trades to ensure that affiliated persons do not receive a better execution than advisory accounts.



## **Item 12 - Brokerage Practices**

### ***General***

Wiley is registered as a broker/dealer with the SEC and various state jurisdictions, and is a member of FINRA. Wiley generally will be used to execute portfolio transactions for investment advisory clients of Wiley. These transactions will be conducted subject to proper, and customary, disclosure including (but not limited to) compensation received by Wiley and its registered representatives for said execution. Compensation will be received by Wiley, as a broker dealer, and/or its registered representatives when portfolio transactions are effected on behalf of investment advisory clients, and Wiley and its registered representatives may receive compensation as a result of acting in one or both capacities. Additionally, Wiley, as a broker-dealer, may buy securities for itself from, or sell securities it owns to clients of Wiley, at which time commissions and or other markups/markdowns may be charged to those clients.

Based upon the similarity of investments among client accounts having similar investment objectives, and the fact that Wiley may direct the purchase of securities for more than one account simultaneously, and the possible appearance of similarity in the treatment of clients, all client accounts are handled under the following basic conditions, designed to prevent pooling of assets and/or the management of accounts on a de facto pooled basis, resulting in the existence of an investment company. The custody of accounts held by the custodian on behalf of Wiley is structured such that each client's securities are held in nominee name only for ministerial purposes and each client's account is maintained as a separate account. The client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the client's securities in the account.

Further, each client retains any and all rights afforded under the federal securities laws to proceed directly against the issuer of any underlying security in the client's account. Each client may withdraw, hypothecate, vote or pledge securities in their account upon written notice to Wiley and each client has the authority to instruct Wiley from directing the purchase of certain securities through Wiley that might otherwise be purchased in the client's account. To ensure the account's investments are in keeping with the customer's investment objectives, the client's circumstances are generally monitored through annual interviews.

### ***Trading Practices***

#### ***Best Execution***

It is generally anticipated that Wiley will be designated by the client as the broker-dealer for the execution of securities transactions which are directed by Wiley. To the extent that we are designated as the broker-dealer, we will execute, as a broker, all purchases and/or sales on behalf of a client's account, through our custodian and clearing firm, Pershing, LLC. For trades directed to Wiley by the advisory client, Wiley will use its best efforts to obtain execution on the best terms reasonably available. When our advisory clients direct us to execute all or a portion of its transactions effected on their behalf with a specific broker, we do not negotiate commission rates on behalf of clients unless specifically directed to do so, and we do not determine whether

commission rates charged by a broker selected by clients are the lowest available.

### ***Batched Trades***

When Wiley places orders to buy or sell the same security for more than one advisory account managed by Wiley, Wiley can, but is not under any obligation to, batch/aggregate transactions for such clients for the purpose of obtaining best execution. Generally, such batched transactions will be allocated proportionally to all advisory accounts for which such security transaction is determined to be suitable based on relative account size. Wiley can make exceptions to this procedure due to special portfolio constraints, cash position, client or regulatory restrictions, odd-lot size of an available transaction, or other equitable fiduciary reason. It is often not possible to receive the same price or time of execution for all of the securities purchased or sold in an aggregated order. Therefore, such aggregated order may be executed in one or more transactions at varying prices and each client's order will receive the average price for the day with respect to such transaction.

### ***Directed Brokerage***

While not a requirement of participating as a registered investment adviser, investment manager or sub-manager for clients of Wiley or any programs offered, some registered investment advisers, investment managers and sub-advisors utilized by Wiley may have other advisory clients who custody assets through Wiley with the Custodian, and as a result of such relationship, Wiley receives commissions and other compensation from transactions executed in such accounts. See also the discussion in the section herein titled "Item 4- Advisory Programs – Private Manager Program".

Clients participating in certain investment advisory programs managed by portfolio managers not associated with Wiley may direct (or the third-party portfolio managers may direct) that some or all account transactions be effected through specific brokers or dealers other than Wiley. In such case, the third-party portfolio manager or the client is responsible for negotiating the terms and conditions (including, but not limited to, commission rates) relating to all services to be provided by such brokers. Wiley assumes no responsibility for obtaining the best prices or any particular commission rates for transactions with or through any such broker for such Client's account. A Client must recognize that it may not obtain rates as low as it might otherwise obtain if Wiley had discretion to select brokers or dealers other than those chosen by the Client.

### ***Cross-Trade Transactions***

Wiley rarely engages in agency or principal cross transactions; however, Wiley obtains client consent for such transactions prior to execution. Client may revoke, in writing, this consent for agency or principal cross transactions at any time. Additionally, to the extent Wiley acts as a principal and engages in a principal cross transaction, Wiley will obtain the Client's permission for such transaction prior to the execution of such transaction.

### ***Soft Dollar Arrangements***

We have no written soft dollar arrangements.

### ***Brokerage for Client Referrals***

We do not direct any advisory Clients to third party broker-dealers in anticipation of receiving referrals of advisory Clients from such broker-dealers.

### ***Research***

Trades may be done with brokers who are selected based on research products or services. These may be used for the benefit of all clients and are not necessarily used exclusively by the account for which the transaction was made. The types of products and services include written and oral reports concerning current or prospective portfolio holdings, economic interpretations, and portfolio strategy. Wiley may compensate brokerage firms which supply computer generated data of its own or that of a third party. Such information is available to assist in the management of all of Wiley's clients whether or not any commissions are available for use in this matter. Currently Wiley is not engaged in this type of arrangement.

## **Item 13 - Review of Accounts**

All advisory accounts and proposals for fees are reviewed on an ongoing basis by the compliance director(s) or their designee. Accounts will be reviewed for suitability, among other things. More frequent reviews may be triggered by a request from the client and/or changes such as the client's individual circumstances or market, economic or political environment.

Clients are provided with quarterly account position statements as required by the Financial Industry Regulatory Authority, Inc. and the Securities and Exchange Commission. Additionally, clearing, custody, statements and confirms will be provided by Pershing LLC ("Pershing") or another qualified custodian as selected by the client.

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

### ***Solicitor Activities***

We may receive compensation for referring you to a third-party service provider, such as another adviser. The amount of compensation will be determined by the agreement between us and the third-party. We will act as the solicitor and deliver to you our solicitor's Disclosure Document at the time of the referral. **Please note that payment of compensation to us and our representative for recommending a third-party creates a conflict of interest. Although we and our representatives commit to acting in your best interests, the existence of such compensation could encourage us to make an unnecessary referral or cause us to withhold information about an alternative option that doesn't provide equivalent compensation.** We try to minimize this conflict by requiring any IAR making such a referral to complete an Outside Advisor Due Diligence form. The IAR must provide details as to why the solicitor arrangement is in the best interest of the client.

### ***Other Compensation***

### ***Cash and Money Market Funds***

Certain money market, municipal money market and government money-market funds pay Wiley a distribution fee in its capacity as a broker dealer. This compensation is in addition to other fees, etc. received from client accounts. The IARs may also receive additional compensation based on client account balances being held in certain money-market funds. Cash balances arising from the sales of securities, redemption of debt securities, dividend and interest payments and funds received from clients are generally invested automatically on a daily basis. When securities are sold, funds (less any charges) are generally credited on the first business day after trade date. Due to the foregoing practices, Wiley realizes some economic benefit because of the delay in investing these funds.

### ***Margin Loans and Non Purpose Loans***

To the extent you utilize the custodian for margin loan financing and or non-purpose loans secured by client accounts, both the IAR and Wiley will receive interest sharing compensation related to such margin loans.

### ***Solicitors***

Wiley is compensated as a solicitor by certain registered investment advisors for referring advisory clients to such investment advisors.

### ***Transaction Flow***

When securities are sold, funds may be deposited on the first business day after settlement date. Funds placed in a client's account by personal check usually will not be invested until the second business day following the day that the deposit is credited to the client's account. Due to the foregoing practices, Wiley will obtain a distribution fee in its capacity as a broker dealer from the money market funds prior to the date that deposits are credited to client accounts and thus realize some economic benefit because of the delay in investing these funds. Where an unaffiliated broker-dealer or other entity acts as custodian of the client's account assets, we have no control over the manner in which the cash reserves will be handled. You and or the custodian will make the determination.

## **Item 15 - Custody**

We utilize Pershing, LLC as custodian for our client's assets. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Wiley urges you to carefully review such statements and compare such official custodial records to the account statements that we provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 - Investment Discretion**

Our standard investment advisory agreement provides us with discretionary authority to supervise and direct the investment and reinvestment of a client's account, making and implementing investment decisions without prior consultation with the client. If Wiley is not otherwise directed in writing to execute trades through a particular broker-dealer, Wiley will execute, as a broker, all purchases and/or sales on behalf of a client's account through Pershing.

## **Item 17 - Voting Client Securities**

It is generally our policy not to vote proxies, however, with respect to those accounts for which the client has designated, in writing, for their advisor to vote proxy on their behalf, we do so in accordance with client instructions and in a manner in which we believe to be in the best interests of our clients. Wiley generally votes in accordance with the recommendations of the issuer's existing management, unless it is not prudent to do so. A written copy of the proxy policies and procedures are available upon request. Wiley will not advise or act for the Client with respect to any legal matters, including bankruptcies or class actions with respect to securities held in the Account; however Wiley may file class action claims on behalf of the Client with Client approval.

## **Item 18 - Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Wiley's financial condition. Wiley has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

## **Item 19 - Other Information**

### ***Business Continuity Plan***

Wiley has developed a Business Continuity Plan to address how we will respond to events that may disrupt our business. Since timing and impact of disasters is unpredictable, the firm will have to be flexible in responding to the events as they occur.

This plan is designed to permit us to resume operations as quickly as possible, given the scope and severity of the significant business disruption. The Business Continuity Plan covers data back-up and recovery, mission critical systems financial and operational assessments, alternative communications, alternate business locations, bank and counter-party impact, regulatory reporting and the assurance of prompt access to funds and securities for our customers.

### ***Varying Disruptions***

Significant business disruptions can vary in their scope, such as emergencies affecting only a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, we will transfer our operations to an emergency-ready local site, moving a select group of trained

employees and expecting to recover and resume business within four hours. In a disruption affecting our business district, city, or region, we will move appropriate staff to a site outside of the affected area to be able to communicate with Pershing on behalf of our clients. In either situation, we plan to continue in business, transferring operations to our clearing firm if necessary. If the significant business disruption is so severe that it prevents us from remaining in business, our clearing firm, Pershing LLC, is a subsidiary of one of the largest and longest standing financial institutions in the world, Bank of New York Mellon, assuring our customer's prompt access to their funds and securities.

### ***Contact Information***

If after a significant business disruption, the main telephone line is inactive, the emergency number is 615-353-9875. If the emergency line is down, please contact Pershing, LLC at 201-413-3635. If you have questions about our Business Continuity Plan, please feel free to contact: (1) David Wiley III (President) dwiley@wileybros.com at (615) 252-6200 or (2) Lisa James (FINOP) at ljames@wileybros.com at (615) 252-6196.

### ***Privacy Policy***

Wiley Bros. – Aintree Capital, LLC respects your right to privacy, and considers your privacy our utmost concern. In order to provide clients with individualized service, Wiley Bros.-Aintree Capital, (WBAC) will collect certain nonpublic personal information about our clients, including nonpublic personal information about you from information you provide on applications or other forms, and information about your account transactions with us. We may also collect such information through your account inquiries by mail, email, or telephone. We gather information about you and your accounts so that we can (i) know who you are and thereby prevent unauthorized access to your information; (ii) design and improve the products and services we offer; (iii) suggest services or educational materials that may be of interest to you; and (iv) comply with the laws and regulations that govern us. We may collect the following types of nonpublic personal information about you: information about your identity, such as your name, address, social security number, financials, risk, employment, etc.; information about your transactions with us, such as purchases, sales and account balances; and other information about you, such as your beneficiaries and income. We collect nonpublic personal information about WBAC clients such as you from the following sources: information we receive from you on applications or other forms; information we receive when you conduct transactions with us, our affiliates, or others; or any other information in our possession. We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as permitted by law.

Moreover, we will not release information about our clients or former clients unless one of the following conditions are met: we receive your prior written consent; we believe the recipient to be you or your authorized representative; we are required by law to release information to the recipient; or the information is disclosed to third party professionals, including but not limited to our clearing firm, who support our regulatory compliance obligations, or any other organization or person that supports our business with you. Specifically, so that we may continue to offer you WBAC products and services that best meet your investing needs, and to effect transactions that you request or authorize, we may disclose the information we collect, as described above, to companies that perform administrative or marketing services on our behalf, such as transfer agents, or printers and mailers that assist us in the distribution of investor materials. These companies will use this information only for the services for which we hired them, and are not permitted to use or share this information for any other purpose. We maintain physical, electronic and procedural safeguards to protect client nonpublic personal information. To further protect your privacy, our website uses a

high level of internet security, including data encryption, user names and passwords, and other tools. We also restrict access to your personal and financial data to authorized WBAC associates who have a need for these records to service your account. We require all nonaffiliated organizations to conform to our privacy standards and they are contractually obligated to keep the information provided to them confidential and to use only as requested. Furthermore, we will continue to adhere to the privacy policies and practices described in this notice even after your account is closed or becomes inactive.

# Wrap Fee Brochure

Appendix 1 of Form ADV Part 2A

Wiley Bros. – Aintree Capital, LLC

40 Burton Hills Blvd Ste 350

Nashville, TN 37215

615-255-6431

<http://www.wileybros.com>

<http://www.aintreecap.com>

March 23, 2019

This Wrap Fee Brochure (Brochure) must be delivered with a copy of the Wiley Bros.-Aintree Capital, LLC ADV Part 2A. If you received this Brochure without the ADV Part 2A please contact us immediately at 615-255-6431. Additionally, our ADV Part 2A and our Wrap Fee Brochure can be accessed, free of charge, on our website [www.wileybros.com](http://www.wileybros.com). If you have any questions about the contents of this Brochure, please contact us at 615-255-6431. 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.



## ***Material Changes***

There are no Material Changes to this Wrap Fee Brochure which is Appendix I of Form ADV Part 2A, since our last filing, June 4, 2019.

**Currently, our Brochure may be requested by contacting us at 615-255-6431. Our Brochure is also available on our web site: <http://www.wileybros.com> free of charge.**

## ***Services, Fees, and Compensation***

Wiley offers a program whereby clients are charged a single annual advisory “wrap-fee” through an arrangement with the Firm. Under this arrangement, Wiley and the IAR generally assess advisory clients an annual wrap-fee, up to 3.0% of assets under management. Fees are computed and payable in advance on a quarterly basis; however, based upon the client’s request, Wiley may compute and assess the fee monthly or annually. The advisory wrap-fee is charged to the client’s account. Alternate methods for payment of wrap-fee may be used when agreed to in advance by client and Wiley. For more on computation and billing of advisory fees please reference the ADV Part 2A.

In order to participate in this program, the client must provide IAR with financial information, investment objectives, risk tolerance, investment time horizon, and various personal information. The information will be utilized to establish an account and an investment program that is suitable. For these investment advisory services, Wiley and the IAR will charge an annual “wrap-fee,” which is a single bundled fee. A portion of the wrap-fee is generally considered to be for brokerage execution and in lieu of commissions. The wrap-fee may also cover the recurring costs associated with performance reporting and other third-party expenses to service clients based on their investment objectives.

Additional costs associated with this program that are not included in the wrap-fee include the following:

- 1.) Certain fees or expenses in connection with securities purchased within the portfolio, such as ETFs or mutual funds. These types of securities carry inherent costs and expenses for operating, redemption, and management. Mutual funds may also have 12b-1 fees. A portfolio may own securities subject to contingent deferred sales charges (CDSC charges) that are incurred even if the shares are converted to a different share class rather than sold within a particular period of time. Please request individual prospectuses for additional information on these fees.
- 2.) Charges imposed by law and/or regulatory bodies
- 3.) Certain fees or expenses to the extent that specific services are requested in connection with the account (i.e., wire transfers, annual IRA maintenance/custodial fees).
- 4.) Fees passed through by Custodian, Pershing, LLC

Similar services may be available from other registered investment advisors for similar or lower fees. For more information on any of these charges please contact Wiley at 615-255-6431.

## ***Program Services***

Under the Wrap Fee Program, clients may choose to have discretionary or non-discretionary services provided by the IAR.

Specific information about Wiley's advisory services and the corresponding conflicts of interest that may arise, from said services, are described in the ADV Part 2A.

***General Information***

For more information on disclosures related to advisory accounts at Wiley please refer to the ADV Part 2A, which was delivered with this brochure.