

# **Integras Partners, LLC**

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## **FORM ADV PART 2A BROCHURE**

This brochure provides information about the qualifications and business practices of Integras Partners, LLC. If you have any questions about the contents of this brochure, contact us at 404-941-2800. 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 Integras Partners, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Integras Partners, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment dated March 6, 2019, we have no material changes to report.

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## Item 4 Advisory Business

### General Information

Integras Partners, LLC ("Integras Partners") was formed in 2010 (registered as an investment adviser in 2014), and provides financial planning, portfolio management and retirement plan consulting services to its clients.

A. Sidney Browning, IV and Keith D. Johnson are principal owners of Integras Partners. Please see **Brochure Supplements**, Exhibit A, for more information on these principal owners and other individuals who formulate investment advice and have direct contact with clients, or have discretionary authority over client accounts.

As of December 31, 2019, Integras Partners managed \$150,011,000 on a discretionary basis.

### SERVICES PROVIDED

At the outset of each client relationship, Integras Partners spends time with the client, asking questions, discussing the client's investment experience and financial circumstances, and broadly identifying major goals of the client.

Clients may elect to retain Integras Partners to prepare a full financial plan as described below. This written report is presented to the client for consideration. In most cases, clients subsequently retain Integras Partners to manage the investment portfolio on an ongoing basis.

For those financial planning clients making this election, and for other clients who do not need financial planning but retain Integras Partners for portfolio management services, based on all the information initially gathered, Integras Partners generally develops with each client:

- a financial outline for the client based on the client's financial circumstances and goals, and the client's risk tolerance level (the "Financial Profile" or "Profile"); and
- the client's investment objectives and guidelines (the "Investment Plan" or "Plan").

The Financial Profile is a reflection of the client's current financial picture and a look to the future goals of the client. The Investment Plan outlines the types of investments Integras Partners will make on behalf of the client to meet those goals. The Profile and the Plan are discussed regularly with each client, but are not necessarily written documents.

### Financial Planning

One of the services offered by Integras Partners is financial planning, described below. This service may be provided as a stand-alone service, or may be coupled with ongoing portfolio management.

Financial planning generally includes advice that addresses one or more areas of a client's financial situation, such as estate planning, risk management, budgeting and cash flow controls, retirement planning, education funding, and investment portfolio design. Depending on a client's particular situation, financial planning may include some or all of the following:

- Gathering factual information concerning the client's personal and financial situation;
- Assisting the client in establishing financial goals and objectives;
- Analyzing the client's present situation and anticipated future activities in light of the client's financial goals and objectives;
- Identifying problems foreseen in the accomplishment of these financial goals and objectives and offering alternative solutions to the problems;

- Making recommendations to help achieve retirement plan goals and objectives;
- Designing an investment portfolio to help meet the goals and objectives of the client;
- Providing estate planning;
- Assessing risk and reviewing basic health, life and disability insurance needs; or
- Reviewing goals and objectives and measuring progress toward these goals.

More comprehensive plans include measuring viability under unfavorable circumstances; including, but not limited to, exceptional market volatility, periods of high inflation, adverse tax changes, medical disability or pre-mature death.

Once financial planning advice is given, the client may choose to have Integras Partners implement the client's financial plan and manage the investment portfolio on an ongoing basis. However, the client is under no obligation to act upon any of the recommendations made by Integras Partners under a financial planning engagement and/or to engage the services of any recommended professional.

### **Portfolio Management**

As described above, at the beginning of a client relationship, Integras Partners meets with the client, gathers information, and performs research and analysis as necessary to develop the client's Investment Plan. The Investment Plan will be updated from time to time when requested by the client, or when determined to be necessary or advisable by Integras Partners based on updates to the client's financial or other circumstances.

To implement the client's Investment Plan, Integras Partners will manage the client's investment portfolio on a discretionary basis. As a discretionary investment adviser, Integras Partners will have the authority to supervise and direct the portfolio without prior consultation with the client.

Notwithstanding the foregoing, clients may impose certain written restrictions on Integras Partners in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of Integras Partners.

### **Retirement Plan Consulting**

Establishing a sound fiduciary governance process is vital to good decision-making and to ensuring that prudent procedural steps are followed in making investment decisions. Integras Partners will provide Retirement Plan consulting services to Plans and Plan Fiduciaries as described below. The particular services provided will be detailed in the consulting agreement. The appropriate Plan Fiduciary(ies) designated in the Plan documents (e.g., the Plan sponsor or named fiduciary) will (i) make the decision to retain our firm; (ii) agree to the scope of the services that we will provide; and (iii) make the ultimate decision as to accepting any of the recommendations that we may provide. The Plan Fiduciaries are free to seek independent advice about the appropriateness of any recommended services for the Plan.

The Employee Retirement Income Security Act of 1974 ("ERISA") sets forth rules under which Plan Fiduciaries may retain investment advisers for various types of services with respect to Plan assets. For certain services, Integras Partners will be considered a fiduciary under ERISA. For example, Integras Partners will act as an ERISA § 3(21) fiduciary when providing non-discretionary investment

advice to the Plan Fiduciaries by recommending a suite of investments as choices among which Plan Participants may select. Also, to the extent that the Plan Fiduciaries retain Integras Partners to act as an investment manager within the meaning of ERISA § 3(38), Integras Partners will provide discretionary investment management services to the Plan. With respect to any account for which Integras Partners meets the definition of a fiduciary under Department Of Labor rules, Integras Partners acknowledges that both Integras Partners and its Related Persons are acting as fiduciaries. Additional disclosure may be found elsewhere in this Brochure or in the written agreement between Integras Partners and Client.

### Fiduciary Management Services

- *Discretionary Management Services*

When retained as an investment manager within the meaning of ERISA § 3(38), Integras Partners provides continuous and ongoing supervision over the designated retirement plan assets. Integras Partners will actively monitor the designated retirement plan assets and provide ongoing management of the assets. When applicable, Integras Partners will have discretionary authority to make all decisions to buy, sell or hold securities, cash or other investments for the designated retirement plan assets in its sole discretion without first consulting with the Plan Fiduciaries. Integras Partners also has the power and authority to carry out these decisions by giving instructions, on your behalf, to brokers and dealers and the qualified custodian(s) of the Plan for management of the designated retirement plan assets.

- *Discretionary Investment Selection Services*

Integras Partners will monitor the investment options of the Plan and add or remove investment options for the Plan without prior consultation with the Plan Fiduciaries. Integras Partners will have discretionary authority to make and implement all decisions regarding the investment options that are available to Plan Participants.

- *Investment Management via Model Portfolios*

Integras Partners will provide discretionary management of Model Portfolios among which the participants may choose to invest as Plan options. Plan Participants will also have the option of investing only in options that do not include Model Portfolios (i.e., the Plan Participants may elect to invest in one or more of the mutual fund options made available in the Plan, and choose not to invest in the Model Portfolios at all).

- *Participant Advice*

Depending on the arrangement with each Plan, Integras Partners will provide non-discretionary investment advice tailored to the individual needs of a Plan Participant at no additional cost to the Plan or Participant. However, the Plan Participant must separately engage Integras Partners for such services. Plan Participants are responsible for implementing transactions in their own accounts.

## **Item 5 Fees and Compensation**

### **General Fee Information**

Fees paid to Integras Partners are exclusive of all custodial and transaction costs paid to the client's custodian, brokers or other third party consultants. Please see **Item 12 - Brokerage Practices** for additional information. Fees paid to Integras Partners are also separate and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). The client should review all fees charged by funds, brokers, Integras Partners and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

### **Financial Planning Fees**

When Integras Partners provides stand-alone financial planning services to clients, these fees are negotiated at the time of the engagement for such services and generally range from \$5,000 to \$10,000 based on the complexity and scope of the engagement. A deposit of 50% of the estimated fee is collected at the beginning of the engagement with the remainder due upon delivery of the financial plan. If the engagement is terminated prior to the completion of the plan, any prepaid, unearned fees will be promptly refunded, and any earned unpaid fees will be due and payable.

### **Portfolio Management Fees**

The annual fee schedule, based on a percentage of assets under management, is as follows:

First \$500,000	1.50%
Next \$500,000	0.50%
Next \$1,000,000	0.80%
Next \$1,000,000	0.60%
Amounts over \$3,000,000	0.40%

The minimum portfolio value is generally set at \$250,000. There is no minimum annual fee for any account. Integras Partners may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where Integras Partners deems it appropriate under the circumstances.

Portfolio management fees are generally payable quarterly, in advance. If management begins after the start of a quarter, fees will be prorated accordingly. Fees will also be prorated for additional deposits to or withdrawals from the account. With client authorization, unless other arrangements are made, fees are normally debited directly from client account(s).

Either Integras Partners or the client may terminate their Investment Advisory Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to Integras Partners from the client will be invoiced or deducted from the client's account prior to termination.

### **Retirement Plan Consulting Fees**

Fees for these customized services will be negotiated with the plan sponsor or named fiduciary on a case-by case basis and will vary according to the scope of the services to be provided and the size and complexity of the Plan. The annual fee will be based on the value of Plan assets and billed quarterly in advance.

### **Other Compensation**

Integras Partners is also a licensed insurance agency in Georgia. Sidney Browning, Keith Johnson and Brenda Dunn are licensed insurance agents of Integras Partners and other unaffiliated insurance companies. As an insurance agency, Integras Partners and its licensed agents can receive commission compensation for the sale of insurance products. This compensation is separate from and in addition to the management fees that clients pay for advisory services. To protect client interests, Integras Partners' policy is to disclose all forms of compensation before any such transaction is executed. Under no circumstance will a client pay both a commission to Integras Partners or its personnel and a management fee to Integras on the same pool of assets.

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

Integras Partners does not have any performance-based fee arrangements. "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because Integras Partners has no performance-based fee accounts, it has no side-by-side management.

## Item 7 Types of Clients

Integras serves clients in retirement and considering retirement, working professionals, business owners, pension and profit-sharing plans, corporations, and charitable organizations. With some exceptions, the minimum portfolio value eligible for conventional investment advisory services is \$250,000 and there is no minimum annual fee for a client portfolio. Under certain circumstances and in its sole discretion, Integras Partners may negotiate such minimums.

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

### Methods of Analysis

In accordance with the Investment Plan, Integras Partners will primarily invest in mutual funds, ETFs, REITs, business development companies, options, private placements and fixed income securities.

Integras Partners' investment methodology begins with a mosaic forward-looking view of the investment spectrum as derived from third-party sources including but not limited to analysts, strategists, and economists. Specific investments are then chosen in support of this view and are based upon a number of quantitative and qualitative factors using third-party data providers to screen for characteristics supporting the investment plan. Integras Partners may use any of the following types of analysis:

**Fundamental Analysis** - involves review of the business and financial information about an issuer. Without limitation, the following factors generally will be considered:

- Financial strength ratios;
- Price-to-earnings ratios;
- Dividend yields; and
- Growth rate-to-price earnings ratios

Integras Partners will incorporate other methods of analysis, such as:

**Charting Analysis** - involves gathering and processing price and volume information for a particular security. Integras Partners' charting analysis includes, without limitation:

- mathematical analysis;
- graphing charts; and estimations of future price movements based on perceived patterns and trends.

**Technical Analysis** - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.

**Cyclical Analysis** - is a type of technical analysis that involves evaluating recurring price patterns and trends.



Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, as applicable and without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors. Because Integras Partners believes that lower costs typically translate to higher returns, no-load mutual funds and institutional share classes (which have the lowest expenses) are utilized.

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. Integras Partners will generally evaluate and select individual bonds or bond funds based on a number of factors including, without limitation, rating, yield and duration

### **Investment Strategies**

Integras Partners' strategic approach is to invest each portfolio in accordance with the Plan that has been developed specifically for that client. This means that the following strategies may be used in varying combinations over time for a given client, depending upon the client's individual circumstances.

Long Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.

Options Trading/Writing - a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the exercise of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option.

### **Risk of Loss**

While Integras Partners seeks to diversify clients' investment portfolios across various asset classes consistent with their Investment Plans in an effort to manage risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While Integras Partners manages client investment portfolios based on Integras Partners' experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities and markets in which they are invested. Accordingly, client investment portfolios are subject to the risk that Integras Partners allocates client assets to individual securities and/or asset classes that are adversely affected by unanticipated market movements, and the risk that Integras Partners' specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, Integras Partners may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment

funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

**Equity Market Risks.** Integras Partners will generally invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

**Fixed Income Risks.** Integras Partners may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

**Foreign Securities Risks.** Integras Partners may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

**Derivatives Risks.** Integras Partners may, for certain clients that qualify as "accredited investors" and for whom it is appropriate, invest portions of the client assets in private placement funds that invest in derivative financial instruments ("derivatives") including, without limitation, futures, options, interest rate swaps, forward currency contracts and credit derivatives such as credit default swaps. A small investment in derivatives could have a potentially large impact on an investor's performance. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. These risks include: (1) counterparty risk; (2) interest rate risk; (3) basis risk; (4) settlement risk; (5) legal risk; (6) operational risk; and (7) market risk. Counterparty risk is the risk that one of the Fund's counterparties might default on its obligation to pay or perform generally on its obligations. Interest rate risk is the general risk associated with movements in interest rates. Basis risk is the risk associated with the relative movements in two (related) rates or prices. Settlement risk is the risk that a settlement in a transfer system does not take place as expected. Legal risk is the risk that a transaction proves unenforceable in law or because it has been inadequately documented.

Operational risk is the risk of unexpected losses arising from deficiencies in a firm's management information, support and control systems and procedures. Market risk is the risk of potential adverse changes in the value of financial instruments resulting from changes in market prices, such as interest, commodity and currency rate movements. In addition, derivatives can be highly volatile, illiquid and difficult to value.

*Options Risks.* Integras Partners may invest portions of client assets into options. A small investment in options could have a potentially large impact on an investor's performance. The use of options involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Options can be highly volatile, illiquid and difficult to value, and there is the risk that a hedging technique will fail if changes in the value of an option held by an investor does not correlate with the securities being hedged.

## **Item 9 Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of Integras Partners or the integrity of Integras Partners' management. Integras Partners has no disciplinary events to report.

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

Integras Partners earns legacy compensation from two Separate Account Manager(s), each, a "Manager," for previous referrals of certain clients to the Manager(s) for asset management services. To protect client interests, Integras Partners disclosed all forms of compensation to the client prior to the client's engagement of the Manager(s). Integras Partners does not refer its current clients to any Managers.

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

### **Code of Ethics and Personal Trading**

Integras Partners has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. Integras Partners' Code has several goals. First, the Code is designed to assist Integras Partners in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, Integras owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires persons associated with Integras Partners (managers, officers and employees) to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits such associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for Integras Partners' associated persons. Under the Code's Professional Standards, Integras Partners expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, Integras Partners' associated persons are not to take inappropriate advantage of their positions in relation to Integras Partners' clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time Integras Partners' associated persons may invest in the same securities recommended to clients. Under its Code, Integras Partners has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

### **Participation or Interest in Client Transactions**

Because client accounts are invested almost exclusively in open-end mutual funds and ETFs, there is little opportunity for a conflict of interest between personal trades by Integras Partners' associated persons and trades in client accounts, even when such accounts invest in the same securities. However, in the event of other identified potential trading conflicts of interest, Integras Partners' goal is to place client interests first.

Consistent with the foregoing, Integras Partners maintains policies regarding participation in initial public offerings ("IPOs") and private placements to comply with applicable laws and avoid conflicts with client transactions. If an Integras Partners' associated person wishes to participate in an IPO or invest in a private placement, he or she must submit a pre-clearance request and obtain the approval of the Chief Compliance Officer.

Finally, if associated persons trade with client accounts (i.e., in a bundled or aggregated trade), and the trade is not filled in its entirety, the associated person's shares will be removed from the block, and the balance of shares will be allocated among client accounts in accordance with Integras Partners' written policy.

## **Item 12 Brokerage Practices**

### **Best Execution and Benefits of Brokerage Selection**

When given discretion to select the brokerage firm that will execute orders in client accounts, Integras Partners seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, Integras Partners may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of Integras Partners' clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

Integras Partners recommends that clients establish brokerage accounts with either TD Ameritrade Institutional ("TD Ameritrade"), Division of TD Ameritrade, Inc., member FINRA/SIPC or with Fidelity Institutional Wealth Services ("Fidelity Institutional"). TD Ameritrade and Fidelity Institutional (collectively, the "Custodians") will serve as the qualified custodians to maintain custody of clients' assets. Integras Partners will also effect trades for client accounts at the Custodians, or may in some instances, consistent with Integras Partners' duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although Integras Partners may recommend that clients establish accounts at the Custodians, it is ultimately the client's decision to custody assets with the Custodians. Integras Partners is independently owned and operated and is not affiliated with the Custodians.

The Custodians provide Integras Partners with access to their institutional trading, custody, reporting and related services, which are typically not available to the Custodians' retail investors. The Custodians also make available various support services. Some of those services help Integras Partners manage or administer our clients' accounts while others help Integras Partners manage and grow our business. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not soft dollar arrangements, but are part of the institutional platform offered by the Custodians. The Custodians' brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Integras Partners' client accounts maintained in its custody, the Custodians generally do not charge separately for custody services but are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the Custodians or that settle into the Custodians' accounts. The Custodians also make available to Integras Partners other products and services that benefit Integras Partners but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Integras Partners' accounts, including accounts not maintained at the Custodians.

The Custodians' products and services that assist Integras Partners in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide pricing and other market data; (iv) facilitate payment of Integras Partners' fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

The Custodians also offer other services intended to help Integras Partners manage and further develop its business enterprise. These services may include: (i) technology compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. The Custodians may make available, arrange and/or pay third-party vendors for the types of services rendered to Integras Partners. The Custodians may discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Integras Partners. The Custodians may also provide other benefits such as educational events or occasional business entertainment of Integras Partners' personnel. In evaluating whether to recommend that clients custody their assets at the Custodians, Integras Partners may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by the Custodians, which may create a potential conflict of interest.

### **Directed Brokerage**

Integras Partners does not generally allow accounts to be directed to broker dealers other than the custodians.

### **Aggregated Trades**

Integras Partners may enter trades as a block where possible and when advantageous to clients whose accounts have a need to buy or sell shares of the same security. This method permits the trading of aggregate blocks of securities composed of assets from multiple client accounts. It allows Integras Partners to execute trades in a timely, equitable manner, and may reduce overall costs to clients

Integras Partners will only aggregate transactions when it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients, and is consistent with the terms of Integras Partners' Investment Advisory Agreement with each client for which trades are being aggregated. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all Integras Partners' transactions in a given security on a given business day. Transaction costs for participating accounts will be assessed at the custodian's commission rate applicable to each account; therefore, transaction costs may vary among accounts. Accounts may be excluded from a block due to tax considerations, client direction or other factors making the account's participation ineligible or impractical.



Integras Partners will prepare, before entering an aggregated order, a written statement ("Allocation Statement") specifying the participating client accounts and how it intends to allocate the order among those clients. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the Allocation Statement. If the order is partially filled, it will generally be allocated pro-rata, based on the Allocation Statement, or randomly in certain circumstances. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment, and the reason for different allocation is explained in writing and is approved by an appropriate individual/officer of Integras Partners. Integras Partners' books and records will separately reflect, for each client account included in a block trade, the securities held by and bought and sold for that account. Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the clients' cash nor their securities will be held collectively any longer than is necessary to settle the transaction on a delivery versus payment basis; cash or securities held collectively for clients will be delivered out to the custodian bank or broker-dealer as soon as practicable following the settlement, and Integras Partners will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.

### **Trade Rotation**

Generally, trades will be aggregated for each group of participating client accounts that share a common custodian. Integras Partners places the orders for aggregated block trades through a rotation of the executing custodians so that no group is damaged or disadvantaged over time by the timing of the executions.

## **Item 13 Review of Accounts**

Managed portfolios are reviewed at least quarterly, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by Integras Partners. These factors generally include, but are not limited to, the following: change in general client circumstances (marriage, divorce, retirement); or economic, political or market conditions. Sidney Browning and Keith Johnson, Integras Partners' Managing Members, both review accounts.

For those clients to whom Integras Partners provides separate financial planning and/or consulting services, reviews are conducted on an as needed or agreed upon basis. Such reviews are conducted by one of Integras Partners' investment adviser representatives or principals. €'

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. In addition, Integras Partners provides at least a quarterly report for each managed portfolio. This written report normally includes a summary of portfolio holdings and performance results. Additional reports are available at the request of the client.

## Item 14 Client Referrals and Other Compensation

As noted above, Integras Partners receives an economic benefit from the Custodians in the form of support products and services they make available to Integras Partners and other independent investment advisors whose clients maintain accounts at the Custodians. These products and services, how they benefit our firm, and the related conflicts of interest are described in **Item 12 - Brokerage Practices**. The availability of the Custodians' products and services to Integras is based solely on our participation in the programs and not in the provision of any particular investment advice.

From time to time, Integras Partners may enter into arrangements with third parties ("Solicitors") to identify and refer potential clients to Integras Partners. Consistent with legal requirements under the Investment Advisers Act of 1940, as amended, Integras Partners enters into written agreements with Solicitors under which, among other things, Solicitors are required to disclose their compensation arrangements to prospective clients before such clients enter into an agreement with Integras Partners.

Integras may receive additional economic benefits from unaffiliated third parties in the form of support of our client services. These benefits may take the form of reimbursements for client functions provided by our firm. We do not have any agreements with any unaffiliated third parties whereby they are obligated to support our client services efforts.

## Item 15 Custody

Integras Partners does not act as qualified custodian for the assets held in clients' accounts. It is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify Integras Partners of any questions or concerns. Clients are also asked to promptly notify Integras Partners if the custodian fails to provide statements on each account held.

From time to time and in accordance with Integras Partners' agreement with clients, Integras Partners will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting, pending trades or other similar issues.

## Item 16 Investment Discretion

As described above under **Item 4 - Advisory Business**, Integras Partners manages portfolios on a discretionary basis. This means that after an Investment Plan is developed for the client's investment portfolio, Integras Partners will execute that plan without specific consent from the client for each transaction. For discretionary accounts, a Limited Power of Attorney ("LPOA") is included within the client's investment advisory agreement, which when executed by the client, provides Integras Partners the authority to carry out various activities in the account. These activities generally include the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. Integras Partners then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with Integras Partners and the requirements of the client's custodian. The discretionary relationship is further described in the agreement between Integras and the client.

## **Item 17 Voting Client Securities**

As a policy and in accordance with Integras Partners' client agreement, Integras Partners does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact Integras Partners with questions relating to proxy procedures and proposals; however, Integras Partners generally does not research particular proxy proposals.

## **Item 18 Financial Information**

Integras Partners does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore has no disclosure with respect to this item.

## **Item 19 Requirements for State-Registered Advisers**

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

## **Item 20 Additional Information**

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.