



## **Procyon Institutional Partners, LLC**

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

**Effective: March 3, 2020**

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Procyon Institutional Partners, LLC (“Procyon” or the “Advisor”). If you have any questions about the content of this Disclosure Brochure, please contact the Advisor at (475) 232-2704 or by email at [cfoster@procyonpartners.net](mailto:cfoster@procyonpartners.net).

Procyon is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about Procyon to assist you in determining whether to retain the Advisor.

Additional information about Procyon and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 288244.

**Procyon Institutional Partners, LLC**  
**1 Corporate Drive, Suite 225, Shelton, CT 06484**  
**Phone: (475) 232-2704 \* Fax: (475) 232-2743**  
<http://procyonpartners.net>

## **Item 2 – Material Changes**

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about the Advisory Persons of Procyon.

Procyon believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide its Clients with complete and accurate information at all times. Procyon encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### Material Change

The following material changes have been made to this Disclosure Brochure since the last filing and distribution to Clients:

- The Advisor has updated its phone number to (475) 232-2704.

### Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in business practices, changes in regulations or routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to you annually and if a material change occurs in the business practices of Procyon.

You may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD #288244. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (475) 232-2704 or by email at [cfoster@procyonpartners.net](mailto:cfoster@procyonpartners.net).

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## Item 4 – Advisory Services

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### A. Firm Information

Procyon Institutional Partners, LLC (“Procyon” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The Advisor is organized as a Limited Liability Company (“LLC”) under the laws of the State of Delaware. Procyon was founded in April 2017 and owned by Procyon Partners, LLC. The Principal Officers of Procyon are Christopher E. Foster, Jeffrey H. Farrar, Louis Gloria, Phil J. Fiore, Jr., and Thomas M. Gahan. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Procyon. For questions, regarding this disclosure Brochure, please contact Christopher E. Foster at [cfoster@procyonpartners.net](mailto:cfoster@procyonpartners.net).

### B. Assets Under Management

As of December 31, 2019, Procyon manages approximately \$2,300,000,000 in Client assets, all of which are managed on a non-discretionary basis. Clients may request more current information at any time, by contacting the Advisor.

### C. Advisory Services Offered

Procyon offers investment advisory services to businesses, institutional investors and retirement plans (each referred to as a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. Procyon’s fiduciary commitment is further described in the Advisor’s Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

#### Retirement Plan Advisory Services

Procyon provides customized advisory services to corporate, government and not-for-profit retirement plans (each a “Plan”) pursuant to The Employee Retirement Income Security Act of 1974 (“ERISA”). Services include both fiduciary and non-fiduciary services to the sponsor of the Plan (the “Plan Sponsor”) and the participants of the Plan (“Plan Participants”). Services may be provided on a non-discretionary basis (ERISA 3(21) Fiduciary Services) or on a discretionary basis (ERISA 3(38) Services). Advisory services are negotiated based on the needs of the Plan and the Plan Sponsor and are included in the terms of a retirement plan advisory agreement.

Procyon will select, recommend and/or retain mutual funds on a fund by fund basis. Due to specific custodial and/or mutual fund company constraints, material tax consideration, and/or systematic investment plans, Procyon will select, recommend and/or retain a mutual fund share class that does not have trading costs, but do have higher internal expense ratios than institutional share classes. Procyon will seek to select the lowest cost share class available that is in the best interest of each Client and will ensure the selection aligns with the Client’s financial objectives and stated investment guidelines.

The Advisor provides the following core services to Plans and their Plan Sponsors:

*Investment Policy Statement (“IPS”)* – The Advisor will assist with the development and preparation of a document that describes the overall investment objectives, risk tolerance and guidelines for the Plan. If the Plan does not have an IPS, the Advisor will provide recommendations to the Plan Sponsor to assist with establishing an IPS. If the Plan has an existing IPS, the Advisor will review it for consistency with the Plan’s objectives. If the IPS does not represent the objectives of the Plan, the Advisor will recommend to the Plan Sponsor revisions to align the IPS with the Plan’s objectives. The Advisor will review the IPS on a periodic basis.

*Asset Allocation Studies & Analysis* – The Advisor will conduct periodic evaluation, analysis and studies of your asset allocation strategy based on, among other things, your liquidity requirements, performance goals and risk tolerance. As part of these services the Advisor may assist you in the development and preparation of asset allocation models.

*Investment Searches* – Based on the Plan’s IPS or other guidelines established by the Plan, the Advisor will review and recommend for your consideration mutual funds, exchange traded investments, separately managed accounts, collective trusts, and/or alternative investments or other Designated Investment Alternatives (“DIAs”). If the IPS criteria require any manager to be removed, the Advisor will provide recommendations to assist the Plan Sponsor with evaluating replacements. In determining which share classes to recommend for DIAs, the Advisor will consider the limitations of the Plan’s recordkeeping platform and/or custodian and the Plan fiduciary’s direction regarding plan expenses.

*Investment Review, Evaluation and Reporting* – Once the Plan Sponsor selects the DIAs, the Advisor will provide quarterly investment evaluation and review including the review of performance on an absolute and relative basis along with additional information to assist the Plan Sponsor with monitoring the DIAs. When appropriate, based on this information, the Advisor will assist in conducting a search for a new DIA and will provide recommendations to assist the Plan Sponsor with replacing the DIA.

*Qualified Default Investment Alternative* - Based on the Plan’s IPS or other guidelines established by the Plan, the Advisor will review the investment options available to the Plan and will make recommendations to assist the Plan Sponsor with selecting or replacing the Plan’s Qualified Default Investment Alternative (“QDIA”).

In addition to the core services above, the Advisor may also provide some or all of the following services pursuant to the terms of the retirement plan advisory agreement:

<b>Administrative Support</b>
<ul style="list-style-type: none"> <li>• Assist the Plan Sponsor in reviewing objectives and options available through the Plan</li> <li>• Assist the Plan Sponsor in reviewing various Plan features including determining whether they are meeting the needs of the Plan and the Plan Participants</li> <li>• Review Plan’s committee structure[s] and administrative policies/procedures</li> <li>• Recommend Plan Participant education and communication policies under ERISA 404(c)</li> <li>• Assist with development/maintenance of fiduciary audit file and document retention policies</li> <li>• Deliver fiduciary training and/or education periodically or upon reasonable request</li> <li>• Assist with coordinating Plan Participant disclosures under ERISA 404(a)</li> <li>• Recommend procedures for responding to Plan Participant requests</li> </ul>
<b>Service Provider Support</b>
<ul style="list-style-type: none"> <li>• Assist fiduciaries with a process to select, monitor and replace service providers</li> <li>• Assist fiduciaries with review of Covered Service Providers (“CSP”) and fee benchmarking</li> <li>• Provide reports and/or information designed to assist fiduciaries with monitoring CSPs</li> <li>• Assist with use of ERISA Spending Accounts or Plan Expense Recapture Accounts to pay CSPs</li> <li>• Assist with preparation and review of Requests for Proposals and/or Information</li> <li>• Coordinate and assist with CSP replacement and conversion</li> </ul>
<b>Investment Management and Monitoring</b>
<ul style="list-style-type: none"> <li>• Periodic review of Plan’s investment policy (IPS) in the context of Plan objectives</li> <li>• Assist the Plan Sponsor with monitoring investment performance</li> <li>• Provide analysis of investment managers and model portfolios</li> <li>• Assist with monitoring designated investment managers and/or third-party advice providers</li> <li>• Provide discretionary investment management services, including the selection of Plan investment options and/or the implementation of investments for Plan Participants</li> <li>• Educate the Plan Sponsor, as needed, regarding replacement of DIA[s] and/or QDIA[s]</li> </ul>
<b>Participant Services</b>

<ul style="list-style-type: none"> <li>• Coordinate investment education and facilitate group or individual meetings</li> </ul>
<ul style="list-style-type: none"> <li>• Assist Plan Participants with financial wellness education, retirement planning and/or gap analysis</li> </ul>
<ul style="list-style-type: none"> <li>• Plan Participant investment advice</li> </ul>
<b>Optional Participant Services</b>
<ul style="list-style-type: none"> <li>• Employee Financial Wellness platform to provide education to Participants on retirement accounts</li> </ul>

#### Institutional Consulting Services

Procyon also provides consulting services to Clients in various areas of need. Services are custom to the scope of each engagement. For certain engagements, the Advisor will provide a formal report or deliverable.

Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

#### **D. Client Account Management**

Prior to engaging Procyon to provide investment advisory services, each Client is required to enter into one or more advisory agreements with the Advisor that define the scope, terms, conditions, authority and responsibilities of the Advisor and the Client.

#### **E. Wrap Fee Programs**

Procyon does not manage or place Client assets into a wrap fee program.

### **Item 5 – Fees and Compensation**

The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall be required to enter into one or more written agreements with the Advisor.

#### **A. Fees for Advisory Services**

##### Retirement Plan Advisory Services

Retirement plan advisory fees are paid quarterly, either in advance of or at the end of each calendar quarter, pursuant to the terms of the Investment Fiduciary & Retirement Plan Consulting Agreement. Fees may be charged as a percentage of the market value of assets in the Plan or as a negotiated flat fee.

Asset-based fees are based on the following schedule:

Assets Under Management	Annual Rate
Up to \$3,500,000	0.500%
\$3,500,001 to \$5,000,000	0.400%
\$5,000,001 to \$7,500,000	0.300%
\$7,500,001 to \$10,000,000	0.250%
\$10,000,001 to \$15,000,000	0.225%
\$15,000,001 to \$20,000,000	0.200%
\$20,000,001 to \$35,000,000	0.175%
\$35,000,001 to \$50,000,000	0.150%
\$50,000,001 to \$75,000,000	0.125%
Over \$75,000,000	0.100%

Fees may be negotiable depending on the size and complexity of the Plan. Certain Clients may have fee schedules that differ from the schedule above.

#### Institutional Consulting Services

Institutional consulting services are offered at an hourly rate of up to \$450 per hour or for a fixed engagement fee. Fees are based on the experience of the person performing the services, the complexity and duration the services to be provided. An estimate for total hours and/or costs will be determined prior to engaging for these services.

### **B. Fee Billing**

#### Retirement Plan Advisory Services

Retirement plan advisory fees may be directly invoiced to the Plan Sponsor or deducted from the assets of the Plan, depending on the terms of the Investment Fiduciary & Retirement Plan Consulting Agreement. For asset-based engagements, billed in advance of the quarter, fees are based on the closing asset values in the accounts at the end of the prior quarter. For asset-based engagements, billed at the end of the quarter, fees are based on the closing asset values in the accounts at the end of the calendar quarter.

#### Institutional Consulting Services

Institutional consulting fees are generally invoiced upon receipt of the agreed upon deliverable[s]. However, the Advisor may require an advance payment that represents no more than 50% of the expected fee.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than Procyon, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all custody, recordkeeping, and securities execution fees charged by the Custodian or recordkeeper. The advisory fees charged by Procyon are separate and distinct from these custody, recordkeeping and execution fees.

In addition, all fees paid to Procyon for advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly, without the services of Procyon, but would not receive the services provided by Procyon which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Procyon to fully understand the total fees to be paid. Additionally, as noted above, the Advisor will select share classes which do not have trading costs, but do have higher internal expense ratios than institutional share classes. Please refer to Item 12 – Brokerage Practices for additional information

### **D. Advance Payment of Fees and Termination**

#### Retirement Plan Advisory Services

Procyon may be compensated for its services in advance of the quarter in which advisory services are rendered. Either party may terminate the Investment Fiduciary & Retirement Plan Consulting Agreement, at any time, by providing advance written notice to the other party. The Client shall be responsible for retirement plan advisory fees up to and including the effective date of termination. The Advisor will refund any unearned, prepaid retirement plan advisory fees from the effective date of termination to the end of the quarter. The Client's Investment Fiduciary & Retirement Plan Consulting Agreement with the Advisor is non-transferable without the Client's prior consent.

#### Institutional Consulting Services

The Advisor may be partially compensated for its institutional consulting services upon execution of the consulting agreement. Either party may terminate the consulting agreement, at any time, by providing advance written notice to the other party. Upon termination, the Client shall be billed for actual hours logged on the consulting project time the contractual hourly rate or in the case of a fixed fee engagement, the percentage of the engagement scope completed by the Advisor. The Client's consulting agreement with the Advisor is non-transferable without the Client's prior consent.



## **E. Compensation for Sales of Securities**

Procyon does not buy or sell securities to earn commissions and does not receive any compensation for securities transactions in any Client account, other than the advisory fees noted above.

In connection with the Procyon's affiliated private wealth business, certain Advisory Persons of Procyon may also offer services as registered representatives of Pursche Kaplan Sterling Investments ("PKS"), a registered broker-dealer (CRD# 35747) member FINRA, SIPC. In one's separate capacity as a registered representative of PKS, an Advisory Person will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by the Advisory Person in one's capacity as a registered representative is separate and in addition to the Advisor's fees. This practice presents a conflict of interest because the Advisory Person who is a registered representative has an incentive to effect securities transaction for the purpose of generating commissions rather than solely based on the Client. Clients are not obligated to implement any recommendation provided by the Advisor nor Advisory Persons. Neither the Advisor nor Advisory Persons will earn ongoing investment advisory fees in connection with any products or services implemented in one's separate capacity as a registered representative. Please see Item 10 – Other Financial Industry Activities and Affiliations.

In connection with the Procyon's affiliated private wealth business, certain Advisory Persons are also licensed as independent insurance professionals. As an independent insurance professional, an Advisory Person will earn commission-based compensation for selling insurance products, including insurance products they sell to Clients. Insurance commissions earned by an Advisory Person are separate and in addition to Procyon's advisory fees. This practice presents a conflict of interest because the Advisory Person providing investment advice on behalf of the Advisor who is also an insurance agent has an incentive to recommend insurance products to Clients for the purpose of generating commissions rather than solely based on Client needs. However, Clients are under no obligation, contractually or otherwise, to purchase insurance products through an Advisory Person. Please see Item 10 – Other Financial Industry Activities and Affiliations.

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

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Procyon does not charge performance-based fees for its investment advisory services. The fees charged by Procyon are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client.

Procyon does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

## **Item 7 – Types of Clients**

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Procyon offers investment advisory services to businesses, institutional investors and retirement plans. The amount of each type of Client is available on the Advisor's Form ADV Part 1A. These amounts may change over time and are updated at least annually by the Advisor. Procyon does not impose a minimum size for establishing a relationship.

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

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### **A. Methods of Analysis**

Procyon follows a disciplined research and evaluation process to assist identifying appropriate investments options for each Plan. Procyon utilizes analytical tools, research and other information to develop its recommendations for the available universe of funds, collective investment trusts and other investment vehicles.

### **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Procyon will assist Clients in determining an appropriate



strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

The risks associated with an underlying investment are provided to each Client in through the prospectus and related disclosures provided by the investment. Procyon does not provide these materials directly to the Plan's Participants. Clients should also consider the following risks:

#### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

#### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

#### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs have a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

### Item 9 – Disciplinary Information

There are no legal, regulatory or disciplinary events involving Procyon. However, on or about May 11, 2015, Phil G. Fiore, Jr., Chief Executive Officer of Procyon was subject to a regulatory action by the Financial Industry Regulatory Authority ("FINRA") for engaging in an outside business activity without notifying his then current employer. Without admitting nor denying the allegations against him, Mr. Fiore consented to entry of the finding of facts against him, was fined \$5,000 and suspending from associating with any FINRA member for a period of 30 days. Mr. Fiore has since satisfied the terms of this Order. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 288244.

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

Neither the Advisor nor its Advisory Persons has any registrations or affiliations with a futures commission merchant, commodity pool operator, or commodity-trading advisor.

#### Other Affiliated Registered Investment Advisors

The Advisor is under common control with Procyon Private Wealth Partners, LLC ("Procyon Private Wealth"), a registered investment advisor with the SEC (CRD# 288239). Procyon Private Wealth provides advisory services to high net worth individuals and families. Procyon Private Wealth generally will not have the same Clients as the Advisor. However, individuals associated with Procyon's Institutional Clients may be offered the services of Procyon Private Wealth.

### Broker-Dealer Affiliation

As noted in 5, in connection with the Procyon's affiliated private wealth business, certain Advisory Persons of Procyon may also offer services as registered representatives of PKS. PKS is a registered broker-dealer, member FINRA, SIPC. In one's separate capacity as a registered representative of PKS, an Advisory Person will receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by an Advisory Person. Neither the Advisor nor its Advisory Person will earn ongoing investment advisory fees in connection with any products or services implemented in one's separate capacity as a registered representative.

### Procyon Benefits, LLC

The Advisor is also under common control with Procyon Benefits, LLC ("PB") an insurance referral company. For insurance recommendations, certain Advisory Persons may refer Clients to an outside insurance/benefits broker, which offers health insurance and personal property and casualty insurance. A referral fee is distributed to PB and the referring Advisory Person may receive a portion of the distributed referral fee. This poses a conflict of interest, where Procyon and its Advisory Persons may be incentivized to recommend a particular Insurance/Benefits broker that has an arrangement with PB. Fees collected from any product implementation referral do not offset regular advisory fees. Clients are under no obligation to implement or purchase any insurance products through a recommended insurance/benefits broker. Please see additional disclosure regarding insurance agency affiliations below.

### Insurance Agency Affiliations

As noted in Item 5, in connection with the Procyon's affiliated private wealth business, certain Advisory Persons are also licensed insurance professionals. Implementations of insurance recommendations are separate and apart from an Advisory Person's role with the Advisor. As an insurance professional, an Advisory Person will receive customary commissions and other related revenues from the various insurance companies whose products are sold. An Advisory Person is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This practice presents a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by an Advisory Person or the Advisor.

### Affiliation with Dynasty Financial Partners

The Advisor maintains a business relationship with Dynasty Financial Partners, LLC ("Dynasty"). Dynasty offers operational and back office core service support including access to a network of service providers. Through the Dynasty network of service providers, Advisor has access to discounts on trading technology, transition support, reporting, custody, brokerage, compliance, and other related consulting services.

While the Advisor believes this open architecture structure for operational services best serves the interests of its advisory Clients, this relationship may potentially present certain conflicts of interest due to the fact that Dynasty retains a portion of the platform or other third-party fees paid by the Advisor or Clients for the services referenced herein.

The Advisor has entered into an agreement with a Dynasty affiliate to sell, via a note, an agreed percentage of the revenue generated by Advisor and in return receives a fixed amount of funds payable over an agreed time frame. Such funds may be used for business transition expenses and other costs associated with launching operations and for business expansion. Advisor is not obligated to enter into such a note in order to obtain other services from Dynasty, however, such notes are only made available for advisors who remain members of the Dynasty network of registered investment advisors. The notes are subject to standard underwriting practices by Dynasty and are based on commercially reasonable terms.

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

### **A. Code of Ethics**

Procyon has implemented a Code of Ethics that defines the Advisor's fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with Procyon ("Supervised Persons"). The Code of Ethics was

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**Procyon Institutional Partners, LLC**  
1 Corporate Drive, Suite 225, Shelton, CT 06484  
Phone: (475) 232-2704 \* Fax: (475) 232-2743  
<http://procyonpartners.net>

developed to provide general ethical guidelines and specific instructions regarding our duties to the Client. Procyon and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Procyon's Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code of Ethics, please contact the Advisor at (475) 232-2704 or by email at [cfoster@procyonpartners.net](mailto:cfoster@procyonpartners.net).

#### **B. Personal Trading with Material Interest**

Procyon allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Procyon does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. Procyon does not have a material interest in any securities traded in Client accounts.

#### **C. Personal Trading in Same Securities as Clients**

Procyon allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities are recommended (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, must be disclosed to Clients and mitigated through policies and procedures. As noted above, the Advisor has adopted a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. When trading for personal accounts, Supervised Persons of Procyon have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Procyon requiring reporting of personal securities trades by its employees for review by the Chief Compliance Officer ("CCO"). The Advisor has also adopted written policies and procedures to detect the misuse of material, non-public information.

#### **D. Personal Trading at Same Time as Client**

While Procyon allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterward. **At no time will Procyon, or any Supervised Person of Procyon, transact in any security to the detriment of any Client.**

### **Item 12 – Brokerage Practices**

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#### **A. Recommendation of Custodian[s]**

Procyon does not have discretionary authority to select the broker-dealer/custodian for custody and execution services or the administrator/recordkeeper for retirement plan advisory services. The Client will select the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Procyon to direct trades to the Custodian as agreed upon in the investment advisory agreement. Further, Procyon does not have the discretionary authority to negotiate commissions on behalf of Clients on a trade-by-trade basis.

Where Procyon does not exercise discretion over the selection of the Custodian, it may recommend the Custodian[s] to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a custodian not recommended by Procyon. However, Procyon may be limited in the services it can provide if the recommended Custodian is not engaged. Procyon may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, its reputation and/or the location of the Custodian's offices. Procyon does not receive research services, other products, or compensation as a result of recommending a particular broker-dealer/custodian that may result in the Client paying higher commissions than those obtainable through other broker-dealer/custodians or platforms.

Following are additional details regarding the brokerage practices of the Advisor:

#### Soft Dollars

Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with such parties in exchange for research and other services. **Procyon does not participate in soft dollar programs sponsored or offered by any broker-dealer-custodian. Please see Item 14 below.**

#### Brokerage Referrals

Procyon does not receive any compensation from any third party in connection with the recommendation for establishing an account.

### **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of the order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. Procyon will execute its transactions through the Custodian as authorized by the Client, unless otherwise instructed.

Procyon may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts in the same trading day. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Clients' accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Securities in Client accounts are monitored on a regular and continuous basis by Christopher Foster, Chief Compliance Officer of Procyon. Formal reviews are generally conducted at least annually or more or less frequently depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify Procyon if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by Procyon**

#### Marketing Support

Procyon may receive marketing support from various partners, vendors and/or product providers. Investment decisions are not influenced by this support.

## **B. Client Referrals from Solicitors**

If a Client is introduced to Procyon by an unaffiliated referrer (herein a "Solicitor"), the Advisor may pay the Solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act as well as any applicable state securities regulations. Referral fees are paid solely from Procyon's investment advisory fees and will not result in any additional charges or higher fees to the Client. The Solicitor will provide the Client with a copy of Procyon's Disclosure Brochure along with a Solicitor's Disclosure Statement containing the terms and conditions of the solicitation arrangement including compensation. Procyon also engages appointment setting and marketing firms to generate investor leads. Procyon pays a monthly or per referral fee for these services. Use of these services do not result in any additional charges or higher fees to Clients.

## **Item 15 – Custody**

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Procyon does not accept or maintain custody of any Client accounts, except for the authorized deduction of the advisor's fee. All Clients must place their assets with a "qualified custodian." Clients are required to engage the Custodian to retain their funds and securities and direct Procyon to utilize the Custodian for the Client's security transactions. Procyon encourages Clients to review statements provided by the Custodian. For more information about Custodians and brokerage practices, see Item 12 – Brokerage Practices.

## **Item 16 – Investment Discretion**

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Procyon may have discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Procyon. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by Procyon will be in accordance with each Client's investment objectives and goals.

## **Item 17 – Voting Client Securities**

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Procyon does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

## **Item 18 – Financial Information**

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Neither Procyon, nor its management, has any adverse financial situations that would reasonably impair the ability of Procyon to meet all obligations to its Clients. Neither Procyon, nor any of its Advisory Persons, has been subject to a bankruptcy or financial compromise. Procyon is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.

## Privacy Policy

Effective Date: March 3, 2020

### Our Commitment to You

Procyon Institutional Partners, LLC ("Procyon" or the "Advisor") is committed to safeguarding the use of personal information of our Clients (also referred to as "you" and "your") that we obtain as your Investment Advisor, as described here in our Privacy Policy ("Policy").

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. Procyon (also referred to as "we", "our" and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

Procyon does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors ("RIAs") must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number[s]	Income and expenses
E-mail address[es]	Investment activity
Account information [including other institutions]	Investment experience and goals

### What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

### How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

### How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<b>Servicing our Clients</b> We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.	Yes	No
<b>Marketing Purposes</b> Procyon does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Procyon or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b>	No	Not Shared
<b>Authorized Users</b> Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent[s] or representative[s].	Yes	Yes
<b>Information About Former Clients</b> Procyon does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

### Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy, and will provide you with a revised Policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

### Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting the Advisor at (475) 232-2704 or by email at [cfoster@procyonpartners.net](mailto:cfoster@procyonpartners.net).