

Value Partners Investment Counsel

Brochure

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Chief Compliance Officer

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This brochure provides information about the qualifications and business practices of Value Partners Investment Inc. If you have any questions about the contents of this brochure, please contact us at (204) 944-3393. 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 Value Partners Investment Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

References herein to Value Partners Investment Inc. as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Item 2 Material Changes

There have been no material changes made to our Brochure since our initial filing.

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Item 4 **Advisory Business**

- A. Value Partners Investment Inc., dba Value Partners Investment Counsel (the “Registrant”) is a Canadian corporation. The Registrant became registered as an Investment Adviser Firm in February 2020. The Registrant is owned by Value Partners Group Inc.

B.

INVESTMENT MANAGEMENT SERVICES

The Registrant provides discretionary investment advisory services on a *fee* basis. The Registrant’s investment advisory services are customized based upon the needs of our clients.

Prior to engaging the Registrant to provide investment advisory services, clients are required to enter into a *Portfolio Management Agreement*. At the outset of each relationship, our advisors work with clients to help determine their investment strategy. Upon completing our analysis, we recommend an asset allocation customized to your financial goals, objectives and risk tolerance. We customize your portfolio allocation, taking into consideration your limitations, restrictions, financial situation, goals and objectives.

MISCELLANEOUS

No Financial Planning or Non-Investment Consulting/Implementation Services. The Registrant does not provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc.

The Registrant does not serve as an attorney, accountant, or insurance agency, and no portion of our services should be construed as legal, accounting, or insurance implementation services. Accordingly, we do not prepare estate-planning documents, tax returns or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.).

You are under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation made by the Registrant or its representatives. If the client engages any recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. At all times, the engaged licensed professional[s] (i.e. attorney, accountant, insurance agent, etc.), and not the Registrant, shall be responsible for the quality and competency of the services provided.

Unaffiliated Private Investment Funds. The Registrant may invest all recommend allocation to fixed income securities of client portfolios in unaffiliated private/pooled investment funds offered by investment management firms based out of Canada/United States of America. The Registrant’s role relative to these private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services.

Private investment funds generally involve various risk factors, including, but not limited to, potential for loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents. The Registrant will ensure that the private investment fund(s) selected to invest your fixed income allocation will be in line with your portfolio risk tolerance and other financial constraints.

The investment management fee charged by these private investment funds is borne by the Clients. Clients will also be liable for an investment advisory fee, set forth in the fee schedule at Item 5 below, based upon a percentage (%) of the market value of the assets placed under management.

The Registrant will value these private investment funds in all the account statements and reports to reflect the most recent valuation provided by the fund sponsor. Due to limited presence of illiquid securities in these portfolio, the current value of these private investment funds could be more or less than the original purchase price or the price reflected in any account statement or report.

Independent Managers. The Registrant does not refer its clients to any outside investment managers ("Independent Manager(s)"). The day-to-day responsibility for the active discretionary management of the allocated assets and the ongoing monitoring and review of account performance, asset allocation and client investment objectives lies with the Registrant.

Portfolio Activity. Registrant has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, the Registrant will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when the Registrant determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by the Registrant will be profitable or equal any specific performance level(s).

Client Obligations. In performing its services, the Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify the Registrant if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising the Registrant's previous recommendations and/or services.

Disclosure Statement. A copy of the Registrant's written Brochure as set forth on Part 2 of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Portfolio Management Agreement*.

- C. The Registrant shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, the Registrant shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may impose reasonable restrictions at any time, in writing, on the Registrant's services.

- D. The Registrant does not participate in a wrap fee program.
- E. As of May 31, 2020, the Registrant had approximately \$1,475,565,059 in assets under management on a discretionary basis.

Item 5 Fees and Compensation

A.

INVESTMENT MANAGEMENT SERVICES

The Registrant provides discretionary investment advisory services on a *fee* basis. The Registrant shall receive an investment advisory fee based upon a percentage (%) of the market value of the assets placed under management (upto 2.00%). Investment advisory fees are based upon the value of assets under management for a household or family group (whichever is greater). Investment advisory fees are calculated monthly as a percentage of assets under management on the last business day of each month and charged monthly. However, fees shall vary depending upon various objective and subjective factors, including but not limited to: the amount of assets to be managed; account composition; the scope and complexity of the engagement; the anticipated number of meetings and servicing needs; related accounts; future earning capacity; anticipated future additional assets; the professional(s) rendering the service(s); and negotiations with the client. As a result of these factors, similarly situated clients could pay different fees, and the services to be provided by the Registrant to any particular client could be available from other advisers at lower fees.

The Registrant, in its sole discretion, may charge a lesser investment management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees.

- B. Clients must elect to have the Registrant's advisory fees deducted from their custodial account. Both Registrant's Agreement and the custodial/clearing agreement will authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, the Registrant shall generally recommend a custodian to serve as the broker-dealer/custodian for client investment management assets.

Broker-dealers charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all third-party mutual fund, private funds

and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). With regards to mutual funds managed by the Registrant, clients will only incur trading expenses related to the fund.

Asset-Based Pricing Arrangements and Limitations. Registrant may recommend that clients enter into an “Asset-Based” pricing agreement with the account broker-dealer/custodian. Under an “Asset-Based” pricing arrangement, the broker-dealer/custodian charges the client a fixed percentage fee for all account commissions/transactions based on the amount of assets placed in custody and/or on the broker-dealer/custodian’s platform, and not based upon the number of transactions executed. Generally in an Asset-Based pricing arrangement, the applicable fixed percentage fee decreases as the account value increases. In the alternative, the broker-dealer/custodian could charge a separate commission/transaction fee upon the execution of an account transaction. This is referred to as a “Transaction-Based” pricing arrangement. Under a Transaction-Based pricing arrangement, the amount of fees charged by the broker-dealer/custodian to the client will vary depending upon the number of and type of transactions that are placed for the account. Under either scenario, the fees charged by the respective broker-dealer/custodian are separate from, and in addition to the advisory fee payable by the client to Registrant.

Registrant’s recommendation that a client enter into an Asset-Based pricing agreement with the account broker-dealer/custodian would depend upon whether, based upon anticipated account size and activity, Registrant reasonably believes that the client would benefit from the available pricing arrangement. However, account investment decisions are often more heavily driven by security selection and anticipated market conditions, as opposed to the amount of commission/transaction fees payable by clients to the account broker-dealer/custodian.

Clients may request at any time to switch between Asset-Based pricing and Transaction-Based pricing arrangements, however, there can be no assurance that the volume of transactions will be consistent from year-to-year given changes in market events and security selection. Therefore, given the variances in trading volume and pricing arrangements, any decision by clients to switch between Asset-Based or Transaction-Based pricing could prove to be economically disadvantageous.

- D. The Registrant shall charge client accounts on the last business day of each month for the investment advisory fee that is calculated as a percentage of assets under management on the last business day of each month. This monthly fee shall be deducted from client accounts within first two weeks of the following month.
- E. Neither the Registrant, nor its representatives, accepts compensation from the sale of securities or other investment product.

Item 6 Performance-Based Fees and Side-by-Side Management

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

Item 7 Types of Clients

The Registrant's clients shall generally include individuals, business entities, trusts, estates and charitable organizations.

The Registrant requires a minimum asset level at a household or family group level. However, it does not impose a minimum annual fee for investment advisory services.

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

A. The Registrant may utilize the following methods of security analysis:

- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
- Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

The Registrant may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)

Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s). Investing in securities involves risk of loss that clients should be prepared to bear.

B. The Registrant's methods of analysis do not present any significant or unusual risks.

Investors generally face the following types investment risks:

- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors independent of the fund's specific investments as well as due to the fund's specific investments. Additionally, each security's price will fluctuate based on market movement and emotion, which may, or may not be due to the security's operations or changes in its true value. For example, political, economic and social conditions may trigger market events which are temporarily negative, or temporarily positive.

- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of the Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The Registrant's primary investment strategies - Long Term Purchases and Short Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy.

- C. Currently, the Registrant primarily allocates client investment assets among various mutual funds, pooled funds, exchange traded funds, individual equities (stocks) and debt instruments (bonds), on a discretionary basis in accordance with the client's designated investment objective(s).

Item 9 Disciplinary Information

Neither the Registrant nor any of its supervised persons have been the subject of a disciplinary action.

Item 10 Other Financial Industry Activities and Affiliations

- A. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

- B. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. **Licensed Insurance Agents**. Certain of the Registrant's related persons, in their individual capacities, are licensed insurance agents in Canada. Clients can engage these related persons to purchase Canadian insurance products on a commission basis.

Conflict of Interest: The recommendation by our representatives that a client purchase an insurance commission product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from our representatives. Clients are reminded that they may purchase insurance products through other, non-affiliated insurance agents.

Fund Manager to Related Mutual Funds and Pooled Fund. The Registrant serves as the Investment Fund Manager to the following Canadian Mutual Funds:

VPI Income Pool*	VPI Canadian Equity Pool*
VPI Foreign Equity Pool*	VPI Value Pool*
VPI Canadian Balanced Pool	VPI Mortgage Pool
VPI Dividend Growth Pool	VPI Global Equity Pool*
VPI Corporate Bond Pool*	

* The Registrant also serves as the Portfolio Manager.

The Registrant serves as the Investment Fund Manager & Portfolio Manager to the following Canadian Pooled Fund:

VPI Special Opportunities Pool	
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Conflict of Interest: The Registrant generally allocates discretionary client portfolios, for Canadian clients, in Value Partners Mutual Funds (Series – O), unaffiliated private pools, third party mutual funds/ exchange traded funds and/or segregated securities. The direction of client assets into Value Partners Mutual Funds presents a conflict of interest as the Registrant is recommending proprietary products.

However, the Registrant does not receives any compensation from the Series – O of the Value Partners Mutual Funds listed above in its role as Investment Fund Manager and/or Portfolio Manager. Further, it does not receive any compensation from the unaffiliated private pools included in client portfolios.

- D. The Registrant does not recommend or select other investment advisors for its clients for which it receives a fee.

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

- A. The Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics, which serves to establish a standard of business conduct for all of the Registrant's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.

- B. As disclosed above, the Registrant has a financial interest in the Value Partners Mutual Funds and the Pooled Fund discussed above at Item 10. The Registrant, may allocate all or a portion of their investment assets to the Value Partners Mutual Funds. The risks associated with participation in the Value Partners Mutual Funds, including management fees, conflicts of interest, and risk factors are set forth in each Fund's prospectus. Registrant clients that are not invested in segregated securities are offered Value Partners Mutual Funds, third party Mutual Funds/ Exchange Traded Funds and/or Unaffiliated Pooled Funds.
- C. The Registrant and/or representatives of the Registrant *may* buy or sell securities that are also recommended to clients. This practice may create a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of the Registrant's clients) and other potentially abusive practices.

The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant's "Access Persons." The Registrant's securities transaction policy requires that Access Person of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings after becoming an Access Person. Additionally, each Access Person is required to set up direct mailing of monthly/quarterly transaction/account statements to the Chief Compliance Officer or his/her designee. In instances where the direct mailing is not set up with the Access Person's Investment Firm, the Access person is required to download and provide these statements of accounts to the Chief Compliance Officer or his/her designee on a, at a minimum, quarterly basis .

- D. The Registrant and/or representatives of the Registrant may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Registrant and/or representatives of the Registrant are in a position to benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. As indicated above in Item 11.C, the Registrant has a personal securities

transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant's Access Persons.

Item 12 Brokerage Practices

- A. In the event that the client requests that the Registrant recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct the Registrant to use a specific broker-dealer/custodian), the Registrant generally recommends that investment management accounts be maintained at a particular custodian. Prior to engaging the Registrant to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with the Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that the Registrant considers in recommending a broker-dealer/custodian to clients include the historical relationship with the Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by the Registrant's clients shall comply with the Registrant's duty to seek best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although the Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, the Registrant's investment management fee. The Registrant's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

1. Soft Dollar Arrangement

In return for effecting securities transactions through a recommended custodian, Registrant may receive certain investment research products or services which assist the Registrant in its investment decision making process for the client pursuant to Section 28(e) of the Securities Exchange Act of 1934 (generally referred to as a "soft-dollar" arrangement). This arrangement presents an inherent conflict of interest because the Registrant is incentivized to recommend a client select a particular broker-dealer/custodian for their accounts based on its ongoing receipt of "soft-dollar" benefits, rather than based on the client's needs.

Although the investment research products or services that may be obtained by the Registrant will generally be used to service all of the Registrant's clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. With respect to investment research products or services obtained by the Registrant that have a mixed use of both a research and non-research (i.e., administrative, etc.) function, the Registrant shall make a reasonable allocation of the cost of the product or service according to its use - the

percentage of the product or service that provides assistance to the Registrant's investment decision-making process will be paid for with soft dollars while that portion which provides administrative or other non-research assistance will be paid for by the Registrant with hard dollars. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, the Registrant's investment management fee.

A recommended custodian may also provide the Registrant with other services intended to help the Registrant manage and further develop its business enterprise, including assistance in the following areas: consulting, publications and presentations, information technology, business succession, and marketing. In addition, a recommended custodian may make available or arrange and/or pay for these types of services provided by independent third parties, including regulatory compliance.

Except as otherwise provided, a recommended custodian's responsibility is limited to executing transactions pursuant to the direction of the Registrant. A recommended custodian shall not assist in the selection of the Registrant and the client has the sole and exclusive responsibility for the selection of the Registrant. The client agrees that the Registrant is solely responsible for the management of client's portfolio

Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, the Registrant may receive from the recommended broker-dealer/custodian, investment platform, unaffiliated investment manager, vendor, unaffiliated product/fund sponsor, or vendor, support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by the Registrant may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by the Registrant in furtherance of its investment advisory business operations.

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

There is no corresponding commitment made by the Registrant to a recommended custodian or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

The Registrant's Chief Compliance Officer, Amit Sethi, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

2. The Registrant does not receive referrals from broker-dealers.
3. The Registrant does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and the Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices on transactions for the account than would otherwise be the case.

In the event that the client directs the Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through the Registrant. Higher transaction costs adversely impact account performance.

Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts

The Registrant's Chief Compliance Officer, Amit Sethi, remains available to address any questions that a client or prospective client may have regarding the above arrangement.

- B. To the extent that the Registrant provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless the Registrant decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "bunch/batch" such orders to seek best execution, to negotiate more favorable commission rates or to allocate equitably among the Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. The Registrant shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 Review of Accounts

- A. For those clients to whom the Registrant provides investment supervisory services, account reviews are conducted on a periodic basis by our investment professionals, at least annually. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.

- B. The Registrant may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. As referenced in Item 12.A.1 above, the Registrant may receive an economic benefit from a recommended custodian. The Registrant, without cost (and/or at a discount), may receive support services and/or products from a recommended custodian.

There shall be no corresponding commitment made by the Registrant to a recommended custodian or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

The Registrant's Chief Compliance Officer, Amit Sethi, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.

- B. If a client is introduced to the Registrant by either an unaffiliated or an affiliated solicitor, the Registrant may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from the Registrant's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to the Registrant by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of their solicitor relationship, and shall provide each prospective client with a copy of the Registrant's written Brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between the Registrant and the solicitor, including the compensation to be received by the solicitor from the Registrant.

Item 15 Custody

The Registrant shall have the ability to have its advisory fee for each client debited by the custodian on a monthly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

To the extent that the Registrant provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by the Registrant

with the account statements received from the account custodian. The account custodian does not verify the accuracy of the Registrant's advisory fee calculation.

Item 16 Investment Discretion

The client can determine to engage the Registrant to provide investment advisory services only on a discretionary basis. Prior to the Registrant assuming discretionary authority over a client's account, client shall be required to execute a *Portfolio Management Agreement*, naming the Registrant as client's attorney and agent in fact, granting the Registrant full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage the Registrant on a discretionary basis may, at any time, impose restrictions, in writing, on the Registrant's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the Registrant's use of margin, etc.).

Item 17 Voting Client Securities

Unless the client directs otherwise in writing, the Registrant is responsible for voting client proxies (**However**, the client shall maintain exclusive responsibility for all legal proceedings or other type events pertaining to the account assets, including, but not limited to, class action lawsuits.). The Registrant shall vote proxies in accordance with its Proxy Voting Policy, a copy of which is available upon request. The Registrant shall monitor corporate actions of individual issuers and investment companies consistent with the Registrant's fiduciary duty to vote proxies in the best interests of its clients. Although the factors which the Registrant will consider when determining how it will vote differ on a case by case basis, they may, but are not limited to, include the following: a review of recommendations from issuer management, shareholder proposals, cost effects of such proposals, effect on employees and executive and director compensation. With respect to individual issuers, the Registrant may be solicited to vote on matters including corporate governance, adoption or amendments to compensation plans (including stock options), and matters involving social issues and corporate responsibility. With respect to investment companies (e.g., mutual funds), the Registrant may be solicited to vote on matters including the approval of advisory contracts, distribution plans, and mergers. The Registrant shall maintain records pertaining to proxy voting as required pursuant to Rule 204-2 (c)(2) under the Advisers Act. Copies of Rules 206(4)-6 and 204-2(c)(2) are available upon written request. In addition, information pertaining to how the Registrant voted on any specific proxy issue is also available upon written request. Requests should be made by contacting the Registrant's Chief Compliance Officer, Amit Sethi.

Item 18 Financial Information

- A. The Registrant does not solicit any fees in advance.

- B. The Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. The Registrant has not been the subject of a bankruptcy petition.

The Registrant's Chief Compliance Officer, Amit Sethi, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.