

# Fortune 360 Group LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Fortune 360 Group LLC. If you have any questions about the contents of this brochure, please contact us at (954) 800-5500 or by email at: [info@fortune360group.com](mailto:info@fortune360group.com). 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 Fortune 360 Group LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Fortune 360 Group LLC's CRD number is: 282391.*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

The material changes in this brochure from the last annual updating amendment of Fortune 360 Group LLC on 02/08/2021 are described below. Material changes relate to Fortune 360 Group LLC 's policies, practices or conflicts of interests.

- Fortune 360 Group LLC and its investment advisor representatives are no long affiliated with Securities America. (Item 10 )
- The firm has revised its financial planning services and fees to include consulting and investment due diligence. (Items 4 and 5)
- The firm has revised its pension consulting services to include discretionary services. (Item 4)
- The firm has removed selection of other advisers as a service (Items 4, 5, and 10).
- The firm has revised its pension consulting fees to allow for a negotiated annual flat fee in lieu of an asset based fee and to allow for asset based fees to be collected monthly. (Item 5)
- The firm removed the 10 notice requirement to terminate an advisory agreement for pension consulting services. (Item 5)
- The firm has updated disclosure of commission compensation received by the firm and its supervised persons as they only receive such compensation related to insurance products. (Item 5)
- The firm has updated its portfolio management fees to disclose its technology/platform fee. (Item 5)
- The firm has added disclosure of risks associated with investments in REITs and DSTs. (Item 8)
- The firm has removed disclosure that it provides billing invoices to its clients as it no longer provides these invoices. (Items 5 and 15)
- The firm had removed discussion of soft dollar benefits as it does not receive soft dollar benefits from any broker-dealer. (Item 12)
- The firm removed disclosure of a PPP loan it previously received as all obligations under the loan have been forgiven. (Item 18)

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

Fortune 360 Group LLC (hereinafter “F3GL”) is a Limited Liability Company organized in the State of Florida.

The firm was formed in March 2015 and became registered as an investment adviser in its home state of Florida in March 2016. The principal owners are Myers Financial Services, Inc., and Fortune Management Group, Inc.. Ronald Lawrence Myers is the owner of Myers Financial Services, Inc., Solomon Edward Reeves is the owner of Fortune Management Group, Inc.

### B. Types of Advisory Services

#### *Portfolio Management Services*

F3GL offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Upon request, F3GL can create an Investment Policy Statement, which outlines the client’s current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

F3GL evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. F3GL will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction; however, it will also provide non-discretionary portfolio management at the client’s election. Risk tolerance levels are documented for clients in the Client Management Agreement, which is given to each client.

F3GL seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of F3GL’s economic, investment or other financial interests. To meet its fiduciary obligations, F3GL attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, F3GL’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is F3GL’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

### ***Pension Consulting Services***

F3GL offers ongoing consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans) on a non-discretionary or discretionary basis based on the demographics, goals, objectives, time horizon, and/or risk tolerance of the plan's participants.

F3GL provides advice with respect to such matters as: (1) identifying investment objectives and restrictions; (2) allocating plan assets to various objectives; (3) selecting money managers to manage plan assets in ways designed to achieve objectives; (4) selecting mutual funds that plan participants can choose as their funding vehicles; (5) monitoring performance of money managers and mutual funds and making recommendations for changes; and (6) selecting other service providers, such as custodians, administrators and broker-dealers. In addition, when providing discretionary services, F3GL will select investments for the plan, replace and rebalance investments, and manage model portfolios for the plan.

### ***Financial Planning and Consulting***

Financial planning and consulting may include, but are not limited to: investment planning; estate planning; life insurance; tax concerns; retirement planning; college planning; investment due diligence; and cash flow planning.

### ***Services Limited to Specific Types of Investments***

F3GL generally limits its investment advice to mutual funds, fixed income securities, insurance products including annuities, equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and private placements. F3GL may use other securities as well to help diversify a portfolio when applicable.

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

F3GL will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by F3GL on behalf of the client. F3GL may use "model portfolios" together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Depending on the specific engagement, F3GL may review cash flow needs, tax status, stage of life, estate planning considerations, all in addition to gathering information on a client's risk tolerance appraisal. Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. F3GL does not participate in any wrap fee programs.

## **E. Assets Under Management**

F3GL has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$103,711,055	\$0.00	12/31/2020

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

### **A. Fee Schedule**

#### ***Asset-Based Fees for Portfolio Management***

<b>Total Assets Under Management</b>	<b>Portfolio Management Fee</b>	<b>Technology/Platform Fee</b>	<b>Total Annual Fee</b>
\$100,000 - \$2,499,999	1.25%	0.15%	1.40%
\$2,500,000 - \$4,999,999	1.00%	0.15%	1.15%
\$5,000,000 - \$9,999,999	0.75%	0.15%	0.90%
\$10,000,000 - And Up	0.50%	0.15%	0.65%

These fees are generally negotiable and the final fee schedule can be found in the Client Management Agreement. Clients may terminate the agreement without penalty within five business days of signing the agreement. Thereafter, clients may terminate the Client Management Agreement generally with 10 days' written notice.

F3GL uses the value of the account as of the last business day of the prior billing period, after taking into account deposits and withdrawals of \$10,000 or more, for purposes of determining the market value of the assets upon which the advisory fee is based.

In computing the market value of any investment of the Account, the securities in the Account listed on a national securities exchange or otherwise subject to current last-sale reporting shall be valued at the amount reported on the statement that Client receives from the Custodian. Such securities which are not traded nor subject to last-sale reporting shall be valued at the latest available bid price reflected by quotations furnished to F3GL by such sources as it may deem appropriate. Any other security shall be valued in such manner as shall be determined in good faith by F3GL, consistent with its fiduciary duty to act in the best interest of Client, and Client to reflect its fair market value. Client will have the opportunity to dispute valuations.

## ***Pension Consulting Services Fees***

### ***Asset-Based Fees for Pension Consulting***

<b>Total Assets Under Management</b>	<b>Annual Fee</b>
\$1,000,000 - \$2,499,999	1.00%
\$2,500,000 - \$4,999,999	0.75%
\$5,000,000 - And Up	0.50%

These fees are generally negotiable and the final fee schedule is included in the Pension Consulting Service Agreement.

Clients may terminate the agreement without penalty and for a full refund of F3GL's fees within five business days of signing the Client Management Agreement. Thereafter, clients may terminate the Client Management Agreement upon notice to F3GL.

F3GL uses the value of the account as of the last business day of the prior billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

On a case by cases basis, F3GL may also agree to an annual flat fee in lieu of an asset based fee.

## ***Financial Planning and Consulting Fees***

### ***Fixed Fees***

The negotiated fixed annual rate for financial planning or consulting service is between \$1,000 and \$12,000. The client will be provided an initial estimate but should be aware that the initial estimate may change depending on the scope and complexity of the engagement. The client will be notified of any changes to the total fee in writing prior to completion of the engagement.

Clients may terminate the agreement without penalty and for a full refund of F3GL's fees within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

## **B. Payment of Fees**

### ***Payment of Asset-Based Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's account with client's written authorization or may be invoiced and billed directly to the client on a quarterly basis. Fees are paid in advance.

### ***Payment of Pension Consulting Fees***

Asset-based and annual flat pension consulting fees are withdrawn directly from the client's accounts with client's written authorization or may be invoiced and billed directly to the client. Asset-based fees will be assessed monthly or quarterly. Flat fees will be assessed quarterly on the last day of the calendar quarter.

Fees are paid in advance or arrears, based on record keeper and/or custodian.

### ***Payment of Financial Planning and Consulting Fees***

Financial planning and consulting fees are paid via check. A portion of fixed financial planning and consulting fees may be paid in advance, but never more than six months in advance, with the remainder typically paid in quarterly installments.

## **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by F3GL. Clients may arrange with custodian to be charged an asset-based fee in lieu of transaction-based commissions.

In addition to third party fees, F3GL charges a technology services fee. This fee is to cover technology, analytical, and performance tools and other systems. While this is not a third party fee, this fee is charged to cover third party costs incurred by F3GL.

## **D. Prepayment of Fees**

F3GL collects fees in advance or arrears. Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

The financial plan will be delivered upon completion; the partially completed plan will be delivered upon termination of the Financial Planning Agreement by the client.



## **E. Outside Compensation For the Sale of Investment Products to Clients**

As further described in Item 10 below, F3GL is a licensed insurance agency and supervised persons of the firm are licensed insurance agents. In these capacities, F3GL and its supervised persons accept compensation for the sale of insurance products to F3GL clients. This presents a conflict of interest and gives F3GL and its supervised persons an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of insurance products for which F3GL or its supervised persons receive compensation, F3GL will document the conflict of interest in the client file and inform the client of the conflict of interest. Clients always have the right to decide whether to purchase recommended products and, if purchasing, have the right to purchase those products through other agencies or agents that are not affiliated with F3GL.

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

F3GL does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

F3GL generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension and Profit Sharing Plans
- ❖ Corporations or Business Entities

### ***Minimum Account Size for Portfolio Management***

There is an account minimum of \$50,000, which may be waived by F3GL in its discretion.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

F3GL's methods of analysis include fundamental analysis, technical analysis and modern portfolio theory.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

### ***Investment Strategies***

F3GL uses a long-term investment approach.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **B. Material Risks Involved**

### ***Methods of Analysis***

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

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

**Modern Portfolio Theory** assumes that investors are risk adverse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

### ***Investment Strategies***

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature or both.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and/or the general economic environment.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and

insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Real Estate funds (including REITs)** face several types of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**DSTs or Delaware Statutory Trusts** are regulated as securities but have risks associated with an investment in real estate. DSTs are highly illiquid with long-term hold periods (typically a minimum of 5-10 years). There is no public market where an investor can sell their ownership interest in a DST. Investors in a DST lack managerial control over the underlying property and must solely rely on the sponsor of the DST for all decisions from day-to-day management to the sale of the underlying property. Once a DST offering is closed, a DST cannot raise new capital and generally cannot be refinanced. Major capital items, changes in occupancy, or changes in rents can significantly affect investor profits or substantially reduce property cash flow. The amount of an investor's capital going towards fees and reserve accounts above the purchase price of the underlying property can significantly reduce the investor's returns. With some DSTs, investor returns may be capped. There are tax risks when using a DST for a 1031 exchange and there is no guarantee that the IRS will approve a DST structure or individual exchange.

**Derivatives** gain their value from another instrument and therefore can result in large losses because of the use of leverage, or borrowing. Derivatives allow investors to earn large returns from small movements in the underlying asset's price. However, investors could lose large amounts if the price of the underlying moves against them significantly.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

## **B. Administrative Proceedings**

There are no administrative proceedings to report.

## **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

## **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither F3GL nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

## **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither F3GL nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

## **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Ronald Lawrence Myers is an accountant and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. F3GL always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of F3GL in connection with such individual's activities outside of F3GL.

Ronald Lawrence Myers is President of Myers Financial Services, Inc., a licensed insurance agency. From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest as Myers Financial receives trailing commissions on insurance products. F3GL always acts in the best interest of the client and clients are in no way required to the services of any representative of F3GL in connection with such individual's activities outside of F3GL.

Ronald Lawrence Myers is Managing Member of Myers Tax Services, LLC. From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. F3GL always acts in the best interest of the client and clients are in no way required to the services of any representative of F3GL in connection with such individual's activities outside of F3GL.

F3GL is also a licensed insurance agency and several supervised persons are licensed insurance agents. These agents will, from time to time, recommend and sell insurance products to clients. Clients should be aware that these services pay a commission or other compensation which provides an incentive to recommend products based on the compensation received rather than the needs of the client. F3GL always acts in the best interest of the client; including the sale of commissionable products to advisory clients. F3GL periodically reviews the recommendations of its supervised persons to assess whether they are based on an objective evaluation of each client's risk profile and investment objectives rather than on the receipt of any commissions or other compensation. The firm will disclose in advance how it or its supervised persons are compensated and will disclose conflicts of interest involving any advice or service provided. At no time will there be tying between business practices and/or services (a condition where a client or prospective client would be required to accept one product or service conditioned upon the selection of a second, distinctive tied product or service). No client is ever under any obligation to purchase any insurance product. Insurance products recommended by the firm or its supervised persons may also be available from other agents or agencies on more favorable terms.

Solomon Edward Reeves is President of Fortune Management Group, Inc., a licensed insurance agency. From time to time, he may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest as Fortune Management receives commissions on the sale of insurance products. F3GL always acts in the best interest of the client and clients are in no way required to the services of any representative of F3GL in connection with such individual's activities outside of F3GL.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

F3GL does not select third-party investment advisers for client accounts.

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

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

F3GL has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. F3GL's Code of Ethics is available free upon request to any client or prospective client.

## **B. Recommendations Involving Material Financial Interests**

F3GL does not recommend that clients buy or sell any security in which a related person to F3GL or F3GL has a material financial interest.

## **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of F3GL may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of F3GL to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. F3GL will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

## **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of F3GL may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of F3GL to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, F3GL will never engage in trading that operates to the client's disadvantage if representatives of F3GL buy or sell securities at or around the same time as clients.

# **Item 12: Brokerage Practices**

## **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on F3GL's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and F3GL may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in F3GL's research efforts. F3GL will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

### ***1. Research and Other Soft Dollar Benefits***

F3GL does not receive products or services other than execution ("soft dollar benefits") from a broker-dealer or third-party for generating commissions, but does receive additional economic benefits described in Item 14.



## ***2. Brokerage for Client Referrals***

F3GL receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

F3GL may permit clients to direct it to execute transactions through a specified broker-dealer. If a client directs brokerage, then the client will be required to acknowledge in writing that the client's direction with respect to the use of brokers supersedes any authority granted to F3GL to select brokers; this direction may result in higher commissions, which may result in a disparity between free and directed accounts; the client may be unable to participate in block trades (unless F3GL is able to engage in "step outs"); and trades for the client and other directed accounts may be executed after trades for free accounts, which may result in less favorable prices, particularly for illiquid securities or during volatile market conditions. Not all investment advisers allow their clients to direct brokerage.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

If F3GL buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, F3GL would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. F3GL would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

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

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Portfolio management accounts are reviewed based on client selection. Clients may choose quarterly, semi-annual, or annually with regard to clients' respective investment policies and risk tolerance levels, while F3GL will perform an annual review for pension consulting clients. Ronald L Myers, Managing Member, and/or other investment adviser representatives perform these reviews.

All financial planning accounts are reviewed periodically and/or upon financial plan creation and plan delivery by the assigned investment adviser representative.



## **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

## **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of F3GL's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

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

## **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

F3GL participates in the advisor programs (the "Programs") offered by TD Ameritrade and Charles Schwab. TD Ameritrade and Schwab offer to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. F3GL receives some economic benefits from TD Ameritrade and Schwab through its participation in these Programs.

While there is no direct link between F3GL's participation in the Programs and the investment advice it gives to its clients, F3GL receives economic benefits through its participation in the Programs that are typically not available to retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving F3GL participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have F3GL's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to F3GL by third party vendors. TD Ameritrade or Schwab may also pay for business consulting and professional services received by F3GL's related persons. Some of the products and services made available through the Programs may benefit F3GL but may not benefit its client accounts. These products or services may assist F3GL in managing and administering client accounts, including accounts not maintained at TD Ameritrade or Schwab. Other services made available through the Programs are intended to help F3GL manage and further develop its business enterprise. The benefits received by F3GL or its personnel through participation in the Programs do not depend on the amount of brokerage transactions directed to TD Ameritrade or Schwab but F3GL may be required to maintain a minimum amount of its client assets at TD Ameritrade or Schwab to receive the Program benefits. As part of its fiduciary duties to clients,

F3GL endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by F3GL or its related persons in and of itself creates a conflict of interest and may indirectly influence the F3GL's choice of TD Ameritrade or Schwab for custody and brokerage services.

#### **B. Compensation to Non – Advisory Personnel for Client Referrals**

F3GL does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, F3GL will be deemed to have limited custody of client's assets. Because client fees will be withdrawn directly from client accounts, F3GL will:

- (A) Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- (B) Verify that the qualified custodian sends a statement to the client at least quarterly.

### **Item 16: Investment Discretion**

F3GL provides discretionary and non-discretionary investment advisory services to clients. The Client Management Agreement established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, F3GL generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, F3GL's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to F3GL).

### **Item 17: Voting Client Securities (Proxy Voting)**

F3GL will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

F3GL neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither F3GL nor its management has any financial condition that is likely to reasonably impair the firm's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

F3GL has not been the subject of a bankruptcy petition in the last ten years.