

Saperston Legacy Advisors, Inc.

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FIRM BROCHURE

Part 2A of Form ADV

March 2021

This brochure provides information about the qualifications and business practices of Saperston Legacy Advisors, Inc. If you have any questions about the contents of this brochure, please contact Kristina L Saperston at 716-649-9800 x243 or ksaperston@saperston.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. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Saperston Legacy Advisors, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 105849.

Item 2 Material Changes

Saperston Legacy Advisors, Inc. (SLAI) has prepared its Form ADV Part 2A Disclosure Brochure ("Brochure") in accordance with the disclosure and formatting guidelines adopted by the SEC.

This Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

2021 Material Changes

Currently applying for registration with the SEC

Contact E-mail addresses have been changed.

Principal shareholder has been updated.

Reduced the Types of Services offered.

Minor changes to Additions and Withdrawals

Investment Strategies – removal of margin transactions

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Item 4 Advisory Business

Saperston Legacy Advisors, Inc. is a State-registered investment adviser with its principal place of business located in New York. Saperston Legacy Advisors, Inc. (formerly Willard B. Saperston, Inc.) began conducting business in 1989.

Listed below are the firm's principal shareholder(s) (individuals or entities controlling 25% or more of this company).

- Hillview III, LLC

Saperston Legacy Advisors, Inc. (SLAI) offers the following advisory services to our clients:

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous advice to clients regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts both on a discretionary and non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities (including exchange traded funds, ETFs)
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares

Because some types of investments involve certain additional degrees of risk, they will only

be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

SLAI provides two types of services:

1. **Proprietary Asset Allocation Service** - Saperston Legacy Advisors, Inc. (SLAI) provides a portfolio management program with primary emphasis on mutual funds. Conversions are made between aggressive & defensive mutual funds within a mutual fund family in accordance with signals based on indicator changes. Clients of SLAI are invested in mutual funds where a management fee is assessed as an expense, and in effect, are paying two advisory fees.
2. **Proprietary Asset Allocation II Service** – SLAI provides a portfolio management program with primary emphasis on stocks, bonds and ETFs. New portfolios are reviewed/evaluated by using the Dorsey Wright or Stock Charts Database for charts with positive patterns, positive relative strength and positive dividends & earnings histories. In addition, the size of the position in relation to the portfolio along with tax costs if applicable are taken into consideration. Further analysis using the IBD (Investors Business Daily) MarketSmith Database may be used to review a position's fundamental as well as technical attributes.

AMOUNT OF MANAGED ASSETS

As of 12/31/2020, we were actively managing \$ 48,429,059 of client assets on a discretionary basis and \$7,853,715 on a non-discretionary basis.

Item 5 Fees and Compensation

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT FEES

Advisory Fees: the maximum fee on the asset allocation programs is 2% of assets under management, based upon the market value of assets accepted for management on the date of such acceptance and thereafter using the portfolio value on the last business day of the preceding quarter. Fees will be due and payable quarterly in advance.

SLAI reserves the right to negotiate fees.

Limited Negotiability of Advisory Fees: Although Saperston Legacy Advisors, Inc. has established the aforementioned fee, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

Additions and Withdrawals: Client may make additions or withdrawals within their Account at any time, subject to Adviser's right to terminate an Account that falls below the minimum account size. Additional assets received into the Account after it is opened shall be charged a pro rata fee based upon the number of days remaining in the quarter. Client may withdraw Account assets upon notice to the Adviser, subject to the usual and customary securities settlement procedures. No fee adjustments shall be made for partial withdrawals or for Account appreciation or depreciation within a billing period (quarterly). A pro rata refund of fees charged shall be made if the Account is closed within a billing period. Adviser shall impose no start up, closing or penalty fees in connection with the Account. SLAI retains the right to make a fee adjustment for withdrawals from an account on a case-by-case basis.

Management personnel and other related persons of our firm are licensed as registered representatives of a broker-dealer, IA reps of an Investment Advisor Firm and/or licensed as insurance agents or brokers. In their separate capacities, these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission being paid to the individuals. The implementation of any or all recommendations is solely at the discretion of the client.

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

In the event of termination of the agreement in any manner, SLAI will have no independent obligation to recommend or take any action with regard to the securities, cash or other investments in the account and SLAI will be under no obligation to liquidate securities owned by client.

Mutual Fund Fees: All fees paid to Saperston Legacy Advisors, Inc. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to Saperston Legacy Advisors, Inc.'s minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

ERISA Accounts: Saperston Legacy Advisors, Inc. is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

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

Saperston Legacy Advisors, Inc. does not charge performance-based fees.

Item 7 Types of Clients

Saperston Legacy Advisors, Inc. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Relative Strength (price momentum). Price momentum conveys unique different information about the prospects of a stock and is a much better indicator than factors such as

earnings growth rates. Many look at the disappointing results of buying stocks with the highest earnings gains and wonder why they differ from the best one-year price performers. First, price momentum is the market putting its money where its mouth is. Second, the common belief that stocks with strong relative strength also have the highest PE ratios or earnings growth rates, is wrong. When you look at the top one-year performers over time, you find they usually have PE ratios 30-50 percent higher than the market, but rarely the highest in the market. The same is true for five-year earnings per share growth rates and one-year earnings per share growth rates. As a group, they are usually higher than the market, but not by extraordinary amounts.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Research is conducted along technical lines, adhering to the relationship between supply and demand. Fundamental research tells us what ought to happen, while technical research tells us what is happening with indications of future probabilities. There is no guarantee that technical analysis can accurately predict the market, and there is potential for loss with any investment strategy. Technical analysis gives us the discipline to take timely action.

INVESTMENT STRATEGIES

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer price permitting. Typically we employ this strategy when:

- We believe the securities to be currently undervalued, and/or
- We want exposure to a particular asset class over time, regardless of the current projection for this class.
- The client is in a high tax bracket.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Trading. We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

Short sales. We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Methods of analysis include charting, fundamental, technical, cyclical along with other information sources such as Morningstar, the internet, and other publications. Investment strategies include momentum comparison and comparison to peers in universe of securities.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Management and personnel of Saperston Legacy Advisors, Inc. are separately licensed as registered representatives of Saperston Asset Management securities offered through Brighton Securities Corp. (BSC) a broker-dealer. These individuals, in their separate capacity, can effect securities transactions for which they will receive separate, yet customary compensation.

While Saperston Legacy Advisors, Inc. and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

Members of our firm's management and personnel are separately licensed as investment adviser representatives of Saperston Asset Management securities offered through Brighton Securities Corp. (BSC). In that capacity, these individuals provide advisory services through BSC. The advisory services delivered by these reps through BSC are distinct from those provided by our firm and are provided for separate compensation. BSC's advisory services may be recommended to our clients for whom it is appropriate. There are no referral fee arrangements between our firm and BSC. However, a conflict of interest is created by this arrangement to the extent that this individual recommends that a Saperston Legacy Advisors, Inc. client open a BSC account through which this individual will receive additional compensation. No Saperston Legacy Advisors, Inc. client is obligated to use BSC or its services. Clients choosing to implement Saperston Legacy Advisors, Inc.'s recommendations through BSC's advisory services should refer to BSC's Firm Brochure or other disclosure document for details regarding that firm's services and fees.

We may occasionally trade the same or similar securities in client portfolios that are traded by

BSC in its client portfolios. When this occurs, our clients may receive a better or worse price or execution than BSC depending on the order of trade execution, the type of security traded and the broker-dealer used.

As this separate registration with BSC may present potential conflicts of interest, we have established written policies and procedures for insider trading that prohibit any other member, officer or employee of our firm, from buying, selling or recommending the securities of companies bought, sold or recommended by these reps through BSC where the decision is substantially derived, in whole or in part, by reason of access to the recommendations of SAM to its clients.

The primary business of the executive officer and investment committee is providing advisory services to the retail investing public as Registered Reps & Registered Investment Advisor Reps through Saperston Asset Management securities offered through Brighton Securities Corp. Kristina L. Saperston, President/Secretary/Treasurer/CCO and Willard B. Saperston are investment committee members spend the majority of their time providing advisory services on Saperston Asset Management securities offered through Brighton Securities Corp and SLAI on research and strategies.

SLAI shares fees & expenses with Saperston Asset Management a branch office of Brighton Securities Corp and has an on-going relationship which includes payroll, bookkeeping, and clerical services, in addition to the overlap of research, salaries, general operating expenses, responsibilities, etc. between the companies. Because gross revenues of both, SAMI & SLAI, are used to pay expenses, such as research, salaries, etc. on an "arbitrary basis", expenses are shared.

Related persons of applicant may buy or sell securities it recommends to clients. Client transactions will be executed prior to those of related persons as a matter of policy unless block traded.

Clients should be aware that the receipt of additional compensation by Saperston Legacy Advisors, Inc. and its management persons or employees may create a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Saperston Legacy Advisors, Inc. endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- We disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- We disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- We collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- Our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;

- We periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

SLAI may from time to time receive consulting fees from Saperston Asset Management for research and strategies.

Related persons of applicant additionally act in the capacity of officers to the following companies:

Saperston Management Services, Inc.- Is a company that provides Private Client Services, namely bill paying and bookkeeping services for an hourly fee. The employees of Saperston Management Services, Inc. are not the same as the adviser. The bookkeeping employees can provide check preparation services for clients. This can be for real estate taxes, personal purchases, business, etc.. None of the bookkeeping employees can sign those checks.

Saperston Management Services, Inc. dba Franklin Management Services offers Life, Fixed Annuity and Long Term Care Insurance. Employees of Franklin Management are paid a commission.

No advisory client is required to utilize the services of Saperston Management Services, Inc. or Franklin Management Services.

Saperston Real Estate Corp. - A company whose primary business is selling commercial real estate and some residential real estate for a commission. The adviser has no business dealings with the real estate company in connection with the advisory services we provide our clients. Saperston Real Estate is at a separate location in downtown Buffalo.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Saperston Legacy Advisors, Inc. and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and record-keeping provisions.

Saperston Legacy Advisors, Inc.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy or by calling us at 716-649-9800.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases, with each account paying the average price. Our employee accounts may be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We have established procedures for the maintenance of all required books and records.
6. All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.

7. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as securities representatives of a broker-dealer, investment adviser representatives of another registered investment adviser, and/or licensed as an insurance agent/broker of various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

Item 12 Brokerage Practices

Saperston Legacy Advisors, Inc. does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

Saperston Legacy Advisors, Inc. will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Saperston Legacy Advisors, Inc. will typically aggregate trades among clients whose accounts can be traded at a given broker. Saperston Legacy Advisors, Inc.'s block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Saperston Legacy Advisors, Inc., or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Saperston Legacy Advisors, Inc. to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.

- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order 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 among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
- 7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.
- 8) Funds and securities for aggregated orders are clearly identified on Saperston Legacy Advisors, Inc.'s records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 9) No client or account will be favored over another.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. These accounts are reviewed by: Kristina L. Saperston, Chief Compliance Officer

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide reports summarizing account performance, balances and holdings at regular client meetings or upon request.

Item 14 Client Referrals and Other Compensation

It is Saperston Legacy Advisors, Inc.'s policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Saperston Legacy Advisors, Inc.'s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We previously disclosed in the "Fees and compensation: section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing

each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 Financial Information

As an advisory firm that, is deemed to have custody as disclosed above, we are required to disclose any financial condition that is likely to impair our ability to meet our contractual obligations. Saperston Legacy Advisors, Inc. has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Saperston Legacy Advisors, Inc. has not been the subject of a bankruptcy petition at any time during the past ten years.