

**FORM ADV PART 2A  
DISCLOSURE BROCHURE**



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This brochure provides information about the qualifications and business practices of Guided Wealth Strategies, LLC. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 970-223-2507. 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 GUIDED WEALTH STRATEGIES, LLC (CRD #308299) IS AVAILABLE ON THE SEC'S WEBSITE AT [WWW.ADVISERINFO.SEC.GOV](http://WWW.ADVISERINFO.SEC.GOV)**

## **Item 2: Material Changes**

### **Material Changes since the Last Update**

Since the initial filing on January 18, 2021, the following changes have been made:

- The firm is seeking registration with the United States Securities and Exchange Commission.
- Services offered through Betterment have been removed.

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## **Item 4: Advisory Business**

### **Firm Description**

Guided Wealth Strategies, LLC dba GrowStrong Wealth Strategies ("GrowStrong") was founded in 2020 and became licensed as a Registered Investment Advisor in July of 2020. Clayton Olson is the Managing Member and Chief Compliance Officer. Clayton Olson 49% owner and Gina Waite is 51% owner.

### **Types of Advisory Services**

#### **ASSET MANAGEMENT**

GrowStrong offers discretionary asset management services to advisory Clients. GrowStrong will offer Clients ongoing asset management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors. The Client will authorize GrowStrong discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

#### **Variable Annuity and Life Management**

GrowStrong offers discretionary direct asset management services to advisory Clients on their variable annuities and variable life products. GrowStrong will work with individuals to assemble an appropriate portfolio of investment options as provided through the insurance company that services variable annuity investment. The accounts will be monitored at least on a quarterly basis.

#### **THIRD PARTY MANAGERS**

When deemed appropriate for the Client, GrowStrong may recommend that Clients utilize the services of a Third-Party Managers (TPM) Global View Capital Management, LTD., Howard Capital Management, Inc. ("HCM"), or The Pacific Financial Group, Inc. ("TPFG") to manage a portion of, or your entire portfolio. All TPMs that we recommend must either be registered as investment advisers with the Securities and Exchange Commission or with the appropriate state authority(ies).

After gathering information about your financial situation and objectives, an Associated Person of our firm will make recommendations regarding the suitability of a TPM and investment style based on, but not limited to, your financial needs, investment goals, tolerance for risk, and investment objectives. Upon selection of a TPM(s), we will monitor the performance of the TPM(s) to ensure their performance and investment style remains aligned with your investment goals and objectives.

Howard Capital Management, Inc. ("HCM") includes two types of accounts.

- Separately Managed Accounts (SMA): Assets are placed with Howard Capital for them to manage at one of the custodians that they have an agreement with. HCM can manage most types of accounts through this program and GrowStrong can choose between any of HCM's strategies subject to strategy minimums.
- Self-Directed Accounts (SDBA) If a Client's employer's 401k plan has a SDBA option and allows for a Third-Party Money Manager then GrowStrong can choose to use HCM to manage a portion the 401k without the funds leaving the 401k plan. The custodian is determined by the 401k plan. HCM uses their mutual funds as the investment options for the SDBA.

In such circumstances, GrowStrong receives solicitor fees from the TPM. We act as the liaison between the Client and the TPM in return for an ongoing portion of the advisory fees charged by the TPM. We help the Client complete the necessary paperwork of the TPM, provides ongoing services to the Client. Ongoing services include but are not limited to:

1. Deliver the Form ADV Part 2, Privacy Notice and Solicitors Disclosure Statement of the TPM to the Client.
2. Meet with the Client to discuss any changes in status, objectives, time horizon or suitability;
3. Update the TPM with any changes in Client status which is provided to GrowStrong by the Client;
4. Review the statements provided by the TPM and provide ongoing account monitoring.

GrowStrong will provide the TPM with any changes in Client status as provided to us by the Client and review the quarterly statements provided by the TPM. GrowStrong will deliver the Form ADV Part 2, Privacy Notice and Solicitors Disclosure Statement of the TPM. Clients placed with TPM will be billed in accordance with the TPM's Fee Schedule which will be disclosed to the Client prior to signing an agreement. This is detailed in Item 10 of this brochure.

#### FINANCIAL PLANNING AND CONSULTING

If the client engages the firm for financial planning services, a comprehensive evaluation of an investor's current and future financial state will be provided by using currently known variables to predict future cash flows, asset values and withdrawal plans. GrowStrong will use current net worth, tax liabilities, asset allocation, and future retirement and estate plans in developing financial plans.

Typical topics reviewed in a financial plan may include but are not limited to:

- **Financial goals:** Based on an individual's or a family's clearly defined financial goals, including funding a college education for the children, buying a larger home, starting a business, retiring on time or leaving a legacy. Financial goals should be quantified and set to milestones for tracking.
- **Personal net worth statement:** A snapshot of assets and liabilities serves as a benchmark for measuring progress towards financial goals.
- **Cash flow analysis:** An income and spending plan determines how much can be set aside for debt repayment, savings and investing each month.
- **Retirement strategy:** A strategy for achieving retirement independent of other financial priorities. Including a strategy for accumulating the required retirement capital and its planned lifetime distribution.
- **Comprehensive risk management plan:** Identify all risk exposures and provide the necessary coverage to protect the family and its assets against financial loss. The risk management plan includes a full review of life and disability insurance, personal liability coverage, property and casualty coverage, and catastrophic coverage.
- **Long-term investment plan:** Include a customized asset allocation strategy based on specific investment objectives and a risk profile. This investment plan sets guidelines for selecting, buying and selling investments and establishing benchmarks for performance review.

- **Tax reduction strategy:** Identify ways to minimize taxes on personal income to the extent permissible by the tax code. The strategy should include identification of tax-favored investment vehicles that can reduce taxation of investment income.
- **Estate preservation:** Help update accounts, review beneficiaries for retirement accounts and life insurance, provide a second look at your current estate planning documents, and prompt you to update your plan when the legal environment changes or you have major life events such as a marriage, death, or births.

Because the firm can recommend to a financial planning client that they engage in investment management services a conflict of interest exists between the interests of GrowStrong and the interests of the Client, the Client always has the right to decide whether to act upon GrowStrong's recommendation. If the Client elects to act on any of the recommendations, the Client has the right to effect the recommended transactions through the professional of their choosing. Financial plans will be completed and delivered inside of sixty (60) days contingent upon timely delivery of all required documentation.

### ERISA PLAN SERVICES

GrowStrong provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. GrowStrong may act as either a 3(21) or 3(38) advisor:

**Limited Scope ERISA 3(21) Fiduciary.** GrowStrong may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions on a non-discretionary basis. As an investment advisor GrowStrong has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using GrowStrong can help the plan sponsor delegate liability by following a diligent process.

#### 1. Fiduciary Services are:

- Provide non-discretionary investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. GrowStrong acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands GrowStrong's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, GrowStrong is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Advisor will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

GrowStrong may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Advisor and Client.

3. GrowStrong has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to GrowStrong on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

**ERISA 3(38) Investment Manager.** GrowStrong can also act as an ERISA 3(38) Investment Manager in which it has discretionary management and control of a given retirement plan's assets. GrowStrong would then become jointly responsible with the plan trustees and liable for the selection, monitoring and replacement of the plan's investment options.

1. Fiduciary Services are:

- GrowStrong has discretionary authority and will make the final decision regarding the initial selection, retention, removal and addition of investment options in accordance with the Plan's investment policies and objectives.
- Assist the Client with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder.
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan.
- Provide discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment

elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5).

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands the GrowStrong's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, the GrowStrong is not providing fiduciary advice as defined by ERISA to the Plan participants. GrowStrong will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

GrowStrong may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between GrowStrong and Client.

3. GrowStrong has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to the Adviser on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

#### SEMINARS AND WORKSHOPS

GrowStrong holds seminars and workshops to educate the public on different types of investments and the different services they offer. The seminars are educational in nature and no specific investment or tax advice is given.

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

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without prior written Client consent.

#### **Client Assets under Management**

As of December 31, 2020, GrowStrong had \$31,200,000 in client assets under management on a discretionary basis.



## Item 5: Fees and Compensation

### Method of Compensation and Fee Schedule

GrowStrong offers discretionary direct asset management services to advisory Clients. GrowStrong charges an annual investment advisory fee based on the total assets under management as follows:

Assets Under Management	Annual Fee	Monthly Fee
First \$0 - \$250,000	2.00%	0.1667%
The next \$250,001 - \$500,000	1.75%	0.1458%
The next \$500,001 - \$1,000,000	1.50%	0.1250%
The next \$1,000,001 - \$2,000,000	1.25%	0.1041%
Amounts over \$2,000,001	1.00%	0.0833%

The annual fee may be negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.). Fees are billed monthly in arrears based on an average daily balance of the account for the month. Additionally, this is a blended fee schedule, the asset management fee is calculated by applying different rates to different portions of the portfolio. Accounts within the same household will be combined for a reduced fee unless otherwise instructed by the client.

The calculation for the average daily balance is based on the formula  $(A/D) \times F$ .

A = the sum of the daily balances in the billing period

D = number of days in the billing period

F = monthly management fee

**For example (based on monthly billing period):** the first step taken using the average-daily-balance calculation method would be to take the average of the values of the Client's account over the course of the entire month. For instance, 25 days at \$1 million plus six days at \$500,000 averages out to approximately \$903,225. This account would be charged \$1,285.28 for the month.

<u>AUM</u>	<u>Monthly Fee</u>	<u>Total</u>
First \$250,000	x .1667 =	\$416.75
Next \$250,000	x .1458 =	\$364.50
Next \$403,225	x .1250 =	\$504.03
Grand total for the month		<u>\$1,285.28</u>

The investment advisory fee will be billed directly to the Clients account at the Custodian, with an informational copy of the invoice to Client. The Custodian will deduct the fee for the Account upon receipt of the invoice, or shortly thereafter. GrowStrong will not be compensated based on the basis of a share of capital gains or capital appreciation of the assets in the Account. Please see Item 15 for more information regarding direct deduction.

### Variable Annuity and Life Management

The fees for these services will be based on a percentage of Assets Under Management and will not exceed an annual fee of 1.5% of the assets managed. Fees will be disclosed prior to Client signing the Investment Advisory Agreement.

GrowStrong's fees are billed monthly in arrears based on the amount of assets managed as of the close of business on the last business day of the previous month. Monthly advisory fees will be paid in the following ways:

- Deduct from another non-qualified Client's account held with GrowStrong
- Deduct from another qualified account if eligible, i.e. over 59 ½
- Direct billing to the Client payable within 10 days of invoice presentation
- Deduct from Client's annuity account

The annual fee may be negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.). Accounts within the same household will be combined for a reduced fee.

Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. After five days Clients may terminate advisory services with thirty (30) days written notice. For accounts opened or closed mid-billing period, fees will be prorated based on the day's services are provided during the given period. All unpaid earned fees will be due to GrowStrong. Client shall be given thirty (30) days prior written notice of any increase in fees, and Client will acknowledge, in writing, any agreement of increase in said fees.

### THIRD PARTY MANAGERS

*Howard Capital Management, Inc. ("HCM")*

GrowStrong has entered into a Solicitor Agreement with Howard Capital Management, Inc. ("HCM"). HCM is a Registered Investment Advisor registered with the Securities and Exchange Commission and provides investment portfolios and supervisory services. When acting as a solicitor the third-party money manager will deduct fees from the client account and will pay GrowStrong their portion of the fee.

For client's utilizing HCM's management services, HCM agrees to pay to GrowStrong a referral fee. GrowStrong and HCM shall execute a Solicitor Referral Fee Schedule which sets forth the referral fee to be paid to GrowStrong. The fees charged by HCM will be as follows:

<b>Program</b>	<b>Annual Client Fee</b>	<b>GrowStrong Solicitor Fee</b>
Separately Managed Accounts (SMA)	Maximum of 2.20%	½ the Annual Fee
HCM Mutual Fund for Self-Directed Accounts (SDBA)	Annual advisory fees charged internally within the fund as specified in each fund's prospectus	0.75% Annually

For SMA accounts, client shall pay no more than 2.20%. HCM agrees to pay to GrowStrong one half of this annual fee. SMA fees will be charged monthly in advance.

For SDBA accounts, the client will pay fund expenses, as outlined in the prospectus of the fund(s) chosen. GrowStrong will received 0.75% of the fee which is deducted by HCM and

remitted to GrowStrong. The fee received by GrowStrong is inclusive of the total fund expense paid by client. SDBA fees will be charged monthly in arrears.

The relationship between GrowStrong and HCM will be disclosed to the client in writing prior to commencement of the services. Client's signature is required to confirm consent for services within HCM's Investment Agreement. Client will initial GrowStrong's Investment Advisory Agreement to acknowledge receipt of HCM's fee Schedule and required documents including, but not limited to, Form ADV Part 2 disclosures.

*Global View Capital Management, LTD.*

GrowStrong has entered into a Solicitor Agreement with Global View Capital Management, LTD. (GVCM). GVCM is a Registered Investment Advisor registered with the Securities and Exchange Commission and provides investment portfolios and supervisory services.

GVCM charges a flat 1% comprehensive platform fee, annually, for money manager strategies, custody/clearing, and technology systems and advisor services for asset-based pricing. The small account program charges a 0.50% - 0.75% comprehensive platform fee depending on the managers selected by Solicitor. The Low-Cost Platform charges a 0.40% comprehensive platform fee.

GrowStrong, shall on a case-by-case basis establish the amount of Referral Fee to be paid in respect of any specified client account not to exceed 1.4% which is the maximum fee allowed to be charged by the Solicitor. GVCM will pay GrowStrong the total referral fee charged from client account for the GrowStrong' portion, monthly in arrears. The total fee to the client may not exceed 2.4% annually.

*The Pacific Financial Group, Inc. ("TPFG")*

GrowStrong has entered into a Solicitor Agreement with The Pacific Financial Group, Inc. ("TPFG")

TPFG is a Registered Investment Advisor registered with the Securities and Exchange Commission and provides investment portfolios and supervisory services.

TPFG is an active money manager incorporating a broad spectrum of investment tools working with professional financial advisors to help their Clients achieve their financial goals. Details on the strategies available are fully described in the Form ADV Part 2 of GrowStrong. The fee will be disclosed to the Client in the Investment Advisory Agreement. The Client's fee for these services will be based on a percentage of assets under management as follows:

For the Managed Strategists Program and Customized Portfolios	
Assets under Management	Annual Fee
All Accounts	0.75%

The Managed Strategists Program, or, if applicable, Portfolios customized by GrowStrong ("Customized Portfolios"), shall in each instance consist solely of the Pacific Financial Group Mutual Funds ("New Pacific Funds"), a new group of mutual funds managed by TPFG's affiliate, The Pacific Financial Group, LLC ("TPFG/Funds' Advisor").

For Client assets invested in Managed Portfolios or Customized Portfolios consisting of New Pacific Funds, the Client shall be obligated by the Investment Management Agreement to pay GrowStrong an annual fee of 0.75%.

Fees are paid monthly based on the average daily net asset value. The Client's obligation, however, shall be offset entirely by payments to GrowStrong by an annual fee of 0.25%

paid by the New Pacific Funds, as a Shareholder Services Fee; and an annual fee of 0.50% paid by TPFPG out of its own resources.

For Separately Managed, Variable Annuities, Variable Universal Life, and Core Retirement Class Accounts			
Assets under Management	Annual Fee	TPFG Retention	GrowStrong Retention
\$0 to \$500,000	2.00%	1.00%	1.00%
\$500,001 - \$3,000,000	1.50%	0.75%	0.75%
\$3,000,001 - \$5,000,000	1.00%	0.50%	0.50%
\$5,000,001 - \$10,000,000	0.80%	0.40%	0.40%
\$10,000,001 and up	Subject to Negotiation		

Fees will be charged in accordance with the executed agreement between the Client and TPFPG.

#### FINANCIAL PLANNING AND CONSULTING

GrowStrong charges hourly fee for financial planning. Prior to the planning process the Client will be provided an estimated plan fee. Services are completed and delivered inside of sixty (60) days contingent upon timely delivery of all required documentation. Fees will be due based on an hourly fee of \$250 per hour.

Fees for financial plans are paid 25% in advance with the balance due upon plan delivery. Monthly payments, payable in arrears, are available for the remaining 75% of the fee.

Client may cancel within five (5) business days of signing Agreement with no fee and without penalty. If the Client cancels after five (5) business days, any unearned prepaid fees will be refunded to the Client, or any unpaid earned fees will be due to GrowStrong. Refunds will be sent via check within ten (10) business days.

#### ERISA PLAN SERVICES

The annual fees are based on the market value of the Included Assets and will not exceed 1%. The annual fee is negotiable and may be charged as a percentage of the Included Assets or as a flat fee. Fees may be charged monthly or quarterly in arrears on the last business day or the month of quarter. Assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a month or month, the fee will be prorated based on the number of days remaining in the month or month. If this Agreement is terminated prior to the end of the billing cycle, GrowStrong shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

The fee, which includes compensation of GrowStrong for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees; however, the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. GrowStrong does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, GrowStrong will disclose this compensation, the services rendered, and the payer of compensation. GrowStrong will offset the compensation against the fees agreed upon under the Agreement. Upon each anniversary of the effective date of the engagement, the fee will automatically be increased as set forth in the Agreement.

## SEMINARS AND WORKSHOPS

GrowStrong holds seminars and workshops to educate the public on different types of investments and the different services they offer. The seminars are educational in nature and no specific investment or tax advice is given. GrowStrong offers these seminars for a maximum fee of \$50 plus the cost of books and materials presented.

### **Client Payment of Fees**

Investment management fees are billed monthly in arrears, meaning that we invoice you after the billing period. Fees are usually deducted from a designated Client account to facilitate billing. The Client must consent in advance in writing to direct debiting of their investment account.

Fees for financial plans are billed upon 25% in advance with the balance due upon plan delivery.

Fees for ERISA 3(21) and/or 3(38) services may be billed in advance.

GrowStrong, in its sole discretion, may charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.).

Custodians may charge transaction fees and commissions on purchases or sales of certain mutual funds, equities, and exchange-traded funds. These charges may include mutual fund transaction fees, postage and handling and miscellaneous fees. GrowStrong does not receive any portion of the transaction fees or commissions paid by the Client to the custodian.

For more details on the brokerage practices, see Item 12 of this brochure.

### **Prepayment of Client Fees**

GrowStrong does not require any prepayment of fees of more than \$1,200 per Client and six months or more in advance.

Fees for financial plans are billed 25% in advance with the balance due upon plan delivery.

If the Client cancels after five (5) business days of signing the firm's agreement, any unearned prepaid fees will be refunded to the Client, or any unpaid earned fees will be due to GrowStrong.

### **External Compensation for the Sale of Securities to Clients**

Investment Advisor Representatives of GrowStrong receive external compensation sales of investment related products such as insurance as licensed insurance agents. From time to time, they will offer clients services from those activities.

This represents a conflict of interest because it gives an incentive to recommend products based on the commission received. This conflict is mitigated by disclosures, procedures, and the firm's fiduciary obligation to place the best interest of the Client first and Clients are not required to purchase any products or services. Clients have the option to purchase these products through another insurance agent of their choosing. Please see Item 10 for additional information.

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

### **Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities and therefore the firm does not engage in side by side management.

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

### **Description**

GrowStrong generally provides investment advice to individuals, high net worth individuals, trusts and small businesses.

Client relationships vary in scope and length of service.

### **Account Minimums**

GrowStrong does not requires a minimum account size open an account.

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

### **Methods of Analysis**

Security analysis methods may include fundamental analysis, technical analysis, charting, and cyclical analysis. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns.

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.

Charting analysis strategy involves using and comparing various charts to predict long and short-term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are twofold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

In developing a financial plan for a Client, GrowStrong's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation. As part of the planning process, GrowStrong may recommend the Client purchase an annuity. When recommending an annuity, GrowStrong will take into account the Client's age, annual income, financial situation, tax status and the financial resources used to fund the annuity. The Client's financial experience, risk tolerance, investment objectives, time

horizon, long term care needs, liquidity needs and intended use will be the determining factors when recommending an annuity and any annuity product features like income riders, long term care riders or death benefit riders.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

### **Investment Strategy**

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to GrowStrong. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases or short-term purchases.

### **Security Specific Material Risks**

All investment management has certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with GrowStrong:

- *Market Risk:* The prices of securities held by mutual funds in which Clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.
- *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.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *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.
- *Management Risk:* The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the Client's portfolio may suffer.
- *Equity Risk:* Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the Client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their

market price, tending to make them fall more in response to selling pressure than is the case with larger companies.

- *Mutual Fund Companies Risk:* When a Client invests in open end or closed end mutual funds or ETFs, the Client indirectly bears their proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives or leverage). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value and a premium paid at purchase may not be realized upon sale and (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. Adviser has no control over the risks taken by the underlying funds in which Client invests.
- *Long-term purchases:* Long-term investments are those vehicles purchased with the intension of being held for more than one year. Typically, the expectation of the investment is to increase in value so that it can eventually be sold for a profit. In addition, there may be an expectation for the investment to provide income. One of the biggest risks associated with long-term investments is volatility, the fluctuations in the financial markets that can cause investments to lose value.
- *Short-term purchases:* Short-term investments are typically held for one year or less. Generally there is not a high expectation for a return or an increase in value. Typically, short-term investments are purchased for the relatively greater degree of principal protection they are designed to provide. We take steps to attempt to reduce or eliminate trading costs. Short-term investment vehicles may be subject to purchasing power risk the risk that your investment's return will not keep up with inflation. Frequent trading increasing expenses therefore directly reduces returns.
- *Variable Annuity Risk:* A variable annuity is a form of insurance where the seller or issuer (typically an insurance company) makes a series of future payments to a buyer (annuitant) in exchange for the immediate payment of a lump sum (single-payment annuity) or a series of regular payments (regular-payment annuity). The payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant. At this point, the contract will terminate, and the remainder of the funds accumulated are forfeited unless there are other annuitants or beneficiaries in the contract. Annuities can be purchased to provide an income during retirement. Unlike fixed annuities that make payments in fixed amounts or in amounts that increase by a fixed percentage, variable annuities, pay amounts that vary according to the performance of a specified set of investments, typically bond and equity mutual funds. Many variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Variable annuities may impose a variety of fees and expenses, in addition to sales and surrender charges, such as mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return. Earnings in a variable annuity do not provide all the tax advantages of 401(k)s and other before-tax retirement plans. Once the investor starts withdrawing money from their variable annuity, earnings are taxed at the ordinary income rate, rather than at the



lower capital gains rates applied to other non-tax-deferred vehicles which are held for more than one year. Proceeds of most variable annuities do not receive a “step-up” in cost basis when the owner dies like stocks, bonds and mutual funds do. Some variable annuities offer “bonus credits.” These are usually not free. In order to fund them, insurance companies typically impose mortality and expense charges and surrender charge periods. In an exchange of an existing annuity for a new annuity (so-called 1035 exchanges), the new variable annuity may have a lower contract value and a smaller death benefit; may impose new surrender charges or increase the period of time for which the surrender charge applies; may have higher annual fees; and provide another commission for the broker.

- *Structured Notes Risk:* The risks involved with using structured notes are credit risk of the issuing investment bank, illiquidity, and there is a risk to the pricing accuracy as most structured notes do not trade after issuance.

The risks associated with utilizing TPM’s include:

- Manager Risk
  - TPM fails to execute the stated investment strategy
- Business Risk
  - TPM has financial or regulatory problems
- The specific risks associated with the portfolios of the TPM’s which is disclosed in the TPM’s Form ADV Part 2.

## **Item 9: Disciplinary Information**

### **Criminal or Civil Actions**

GrowStrong and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

GrowStrong and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

GrowStrong and its management have not been involved in legal or disciplinary events that are material to a Client’s or prospective Client’s evaluation of GrowStrong or the integrity of its management.

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

### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Investment Advisor Representatives with GrowStrong have financial affiliated businesses as insurance agents with Guided Wealth Insurance, LLC. Investment Advisor Representatives will offer Clients services from this activity. As insurance agents, they may receive separate yet typical compensation.

This insurance licensure represents a conflict of interest because it gives GrowStrong an incentive to recommend products based on the commission amount received. This conflict is mitigated by disclosures, procedures and the firm’s fiduciary obligation to act in the best interest of the Clients. Clients always have the right to decide whether to purchase recommended insurance products. Clients have the right to purchase these products through another insurance agent of their choosing.

Additionally, Gina Waite is the President of Equinox Financial and Clayton Olson is the President of New Horizon Financial, which are pass-thru entities for their advisory and insurance business. This is not a conflict of interest as there are no products or services offered to clients.

### **Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

GrowStrong may recommend the use of other investment advisors. Clients placed with TPMs will be billed in accordance with the TPM's fee schedule which will be disclosed to the Client prior to signing an agreement. When referring Clients to a TPM, the Client's best interest will be the main determining factor of GrowStrong. GrowStrong ensures that before selecting other advisors for Client that the other advisors are properly licensed or registered as an investment advisor.

These practices represent conflicts of interest because GrowStrong is paid a Solicitor Fee for recommending the TPMs and may choose to recommend a particular TPM based on the fee GrowStrong is to receive. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to act in the best interest of his Clients. Clients are not required to accept any recommendation of TPMs given by GrowStrong and have the option to receive investment advice through other money managers of their choosing. Clients always have the right to decide whether to use another investment advisor. Clients have the right to select another investment manager of their choosing.

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

### **Code of Ethics Description**

The affiliated persons (affiliated persons include employees and/or independent contractors) of GrowStrong have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of GrowStrong affiliated persons and addresses conflicts that may arise. The Code defines acceptable behavior for affiliated persons of GrowStrong. The Code reflects GrowStrong and its supervised persons' responsibility to act in the best interest of their Client.

One area which the Code addresses is when affiliated persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any affiliated persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

GrowStrong's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other affiliated person, officer or director of GrowStrong may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

GrowStrong's Code is based on the guiding principle that the interests of the Client are our top priority. GrowStrong's officers, directors, advisors, and other affiliated persons have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust and confidence of our Clients. When a conflict arises, it is our obligation to put the Client's interests over the interests of either affiliated persons or the company.

The Code applies to “access” persons. “Access” persons are affiliated persons who have access to non-public information regarding any Clients’ purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

GrowStrong will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

### **Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

GrowStrong and its affiliated persons do not recommend to Clients securities in which we have a material financial interest.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

GrowStrong and its affiliated persons may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as trading ahead of Client transactions, affiliated persons are required to disclose all reportable securities transactions as well as provide GrowStrong with copies of their brokerage statements.

The Chief Compliance Officer of GrowStrong is Clayton Olson. He reviews all trades of the affiliated persons each month. The personal trading reviews ensure that the personal trading of affiliated persons do not front run or disadvantage the trading for clients.

### **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

GrowStrong does maintain a firm proprietary trading account and affiliated persons may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, the firm and affiliated persons are required to disclose all reportable securities transactions as well as provide GrowStrong with copies of their brokerage statements.

The Chief Compliance Officer of GrowStrong is Clayton Olson. He reviews all employee trades each month. The personal trading reviews ensure that the personal trading of affiliated persons do not front run or disadvantage the trading for clients.

## **Item 12: Brokerage Practices**

### **Factors Used to Select TD Ameritrade Institutional for Client Transactions**

GrowStrong requires the use of a particular broker-dealer such as TD Ameritrade Institutional is a Division of TD Ameritrade, Inc., Member FINRA/SIPC (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member or Schwab Advisor Services division of Charles Schwab & Co., Inc.<sup>1</sup> (“Schwab”), a FINRA<sup>2</sup> registered broker-dealer and SIPC<sup>3</sup> member, to maintain custody of Clients’ assets and to effect trades for their accounts.. GrowStrong will select appropriate brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. Unless the nature of the account requires another custodian to be used, such as a 401(k) participant. GrowStrong relies on its broker to provide its execution services at the best

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<sup>1</sup> For information regarding Schwab, please refer to their website: <https://www.schwab.com/>.

<sup>2</sup> FINRA is the largest independent regulator for all securities firms doing business in the United States. For more information, please refer to FINRA’s website: <http://www.finra.org/>.

<sup>3</sup> For information regarding SIPC, please refer to their website: <http://www.sipc.org/>.

prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by GrowStrong.

GrowStrong participates in the TD Ameritrade Institutional program. TD Ameritrade is an independent SEC-registered broker-dealer and is not affiliated with GrowStrong. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. GrowStrong receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14)

GrowStrong has evaluated Schwab and believes that it will provide our Clients with a blend of execution services, commission costs and professionalism that will assist our firm in meeting our fiduciary obligations to Clients.

Schwab provides GrowStrong with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's Clients' assets are maintained in accounts at Charles Schwab & Co. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our Client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Charles Schwab & Co. also makes available to GrowStrong other products and services that benefit GrowStrong but may not directly benefit our Clients' accounts. Many of these products and services may be used to service all or some substantial number of our Client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist GrowStrong in managing and administering our Clients' accounts include software and other technology that:

- provide access to Client account data (such as trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple Client accounts;
- provide research, pricing and other market data;
- facilitate payment of our fees from Clients' accounts; and
- assist with back-office functions, recordkeeping and Client reporting.

Charles Schwab & Co. also offers other services intended to help us manage and further develop our business enterprise. These services may include:

- compliance, legal and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to GrowStrong. Charles Schwab & Co. may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. Charles Schwab & Co. may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that Clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

- *Directed Brokerage*

GrowStrong does not allow directed brokerage accounts.

- *Best Execution*

Investment advisors who manage or supervise Client portfolios have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is effected, the ability to affect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. The firm does not receive any portion of the trading fees.

- *Soft Dollar Arrangements*

The Securities and Exchange Commission defines soft dollar practices as arrangement under which products or services other than execution services are obtained by GrowStrong from or through a broker-dealer in exchange for directing Client transactions to the broker-dealer. As permitted by Section 28(e) of the Securities Exchange Act of 1934, GrowStrong receives economic benefits as a result of commissions generated from securities transactions by the broker-dealer from the accounts of GrowStrong. These benefits include both proprietary research from the broker and other research written by third parties.

A conflict of interest exists when GrowStrong receives soft dollars. This conflict is mitigated by the fact that GrowStrong has a fiduciary responsibility to act in the best interest of its Clients and the services received are beneficial to all Clients.

GrowStrong utilizes the services of custodial broker dealers. Economic benefits are received by GrowStrong which would not be received if GrowStrong did not give investment advice to Clients. These benefits include: A dedicated trading desk, a dedicated service group and an account services manager dedicated to GrowStrong's accounts, ability to conduct "block" Client trades, electronic download of trades, balances and positions, duplicate and batched Client statements, and the ability to have advisory fees directly deducted from Client accounts.

### **Aggregating Securities Transactions for Client Accounts**

GrowStrong is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of GrowStrong. All Clients participating in the aggregated order

shall receive an average share price with a flat transaction cost for each participating client or all transaction costs shared on a pro-rated basis, if any.

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

#### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Investment Advisor Representatives will be responsible for completing the Firm's Annual Client Review form with the Client on an ongoing basis to ensure Know Your Client compliance is being maintained. CCO will confirm that IAR has completed ongoing monitoring as described. Reviews of Client accounts include, but are not limited to, a review of Client documented risk tolerance, adherence to account objectives, investment time horizon, and suitability criteria, reviewing target bands of each asset class to identify if there is an opportunity for rebalancing, and reviewing accounts for tax loss harvesting opportunities.

Financial plans generated are updated as requested by the Client and pursuant to a new or amended agreement, GrowStrong suggests updating at least annually.

#### **Review of Client Accounts on Non-Periodic Basis**

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

#### **Content of Client Provided Reports and Frequency**

Clients receive written account statements no less than monthly for managed accounts. Account statements are issued by GrowStrong's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs. Client are urged to compare the statements received from the custodian to the reports provided by GrowStrong and report any discrepancies.

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

#### **Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

As disclosed under Item 12 above, GrowStrong participates in TD Ameritrade's institutional customer program and GrowStrong requires TD Ameritrade to Clients for custody and brokerage services. There is no direct link between GrowStrong's participation in the program and the investment advice it gives to its Clients, although GrowStrong receives economic benefits through its participation in the program that are typically not available to TD Ameritrade 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 GrowStrong 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 advisory 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 GrowStrong by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by GrowStrong's related persons. Some of the products and services made

available by TD Ameritrade through the program may benefit GrowStrong but may not benefit its Client accounts. These products or services may assist GrowStrong in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help GrowStrong manage and further develop its business enterprise. The benefits received by GrowStrong or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to Clients, GrowStrong endeavors at all times to act in the Clients best interest. We believe our requirement that use TD Ameritrade as their custodian is appropriate for their clients based the services TD Ameritrade provides and the fees that they charge. Clients should be aware, however, that the receipt of economic benefits by GrowStrong or its related persons in and of itself creates a conflict of interest and may indirectly influence the GrowStrong's choice of TD Ameritrade for custody and brokerage services.

### **Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

As disclosed under Item 12 above, GrowStrong receives an economic benefit from Schwab in the form of the support products and services it makes available to GrowStrong and other independent investment advisors that have their Clients maintain accounts at Schwab. These products and services, how they benefit GrowStrong, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability to GrowStrong of Schwab's products and services is not based on GrowStrong giving particular investment advice, such as buying particular securities for our Clients.

### **Products & Services Available to Us from Schwab**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like ours. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis and at no charge.

### **Services that Benefit Client**

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit clients or their account(s).

### **Services that May Not Directly Benefit Clients**

Schwab also makes available to us other products and services that benefit us but may not directly benefit the client or their account(s). These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provides access to client account data (such as duplicate trade confirmations and account statements);

- facilitates trade execution and allocate aggregated trade orders for multiple client accounts;
- provides pricing and other market data;
- facilitates payment of our fees from our clients' accounts; and
- assists with back-office functions, recordkeeping and client reporting.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees.

Other than soft dollars and fees from recommended Third Party Managers GrowStrong does not receive any other third parties for advisory services provided to GrowStrong clients.

#### **Advisory Firm Payments for Client Referrals**

GrowStrong does not compensate for Client referrals.

### **Item 15: Custody**

#### **Account Statements**

GrowStrong does not accept or maintain physical custody of Client funds or securities. All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at their address of record at least monthly. Clients are urged to compare the account statements received directly from their custodians to any documentation or reports prepared by GrowStrong. GrowStrong is deemed to have constructive custody solely because advisory fees are directly deducted from Client's accounts by the custodian on behalf of GrowStrong.

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

#### **Discretionary Authority for Trading**

GrowStrong requires discretionary authority to manage securities accounts on behalf of Clients. GrowStrong has the authority to determine, without obtaining specific Client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. Third Party Managers that GrowStrong recommends require the same discretionary trading authority.

GrowStrong allows Client's to place certain restrictions, as outlined in the Client's Investment Policy Statement or similar document. Such restrictions could include only allowing purchases of socially conscious investments. These restrictions must be provided to GrowStrong in writing.



## **Item 17: Voting Client Securities**

### **Proxy Votes**

GrowStrong does not vote proxies on securities. Clients are expected to vote their own proxies. The Client will receive their proxies directly from the custodian of their account or from a transfer agent. When assistance on voting proxies is requested, GrowStrong will answer questions from the client. If a conflict of interest exists, it will be disclosed to the Client.

## **Item 18: Financial Information**

### **Balance Sheet**

A balance sheet is not required to be provided because GrowStrong does not serve as a custodian for Client funds or securities and GrowStrong does not require prepayment of fees of more than \$1,200 per Client and six months or more in advance.

### **Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

GrowStrong has no condition that is reasonably likely to impair our ability to meet contractual commitments to our Clients.

### **Bankruptcy Petitions during the Past Ten Years**

GrowStrong has not had any bankruptcy petitions in the last ten years.