



# **SignatureFD, LLC**

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ADV Part 2A, Firm Brochure  
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Contact: Katie Amy, Chief Compliance Officer  
1230 Peachtree Street, N.E., Suite 1800  
Atlanta, Georgia 30309  
[www.signaturefd.com](http://www.signaturefd.com)

**This brochure provides information about the qualifications and business practices of SignatureFD, LLC (the “Registrant”). If you have any questions about the contents of this brochure, please contact us at (404) 253-7600 or [Katie.Amy@signaturefd.com](mailto:Katie.Amy@signaturefd.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about SignatureFD, LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2           Material Changes**

This brochure provides prospective clients with information about SignatureFD, LLC that should be considered before or at the time of obtaining our advisory services. We are required to update this item to describe the material changes made to this brochure on an annual basis and deliver to you, within 120 days of the end of the calendar year, a free updated brochure that includes or is accompanied by a summary of material changes; or a summary of material changes and an offer to provide a copy of the updated brochure and how to obtain it. We will also provide you with interim disclosures regarding material changes, as necessary.

Since the March 30, 2020 annual amendment filing, this brochure has been amended as follows:

- In Item 14, we disclosed a referral arrangement that we entered with Synergi Partners, Inc. Synergi Partners is in the business of identifying and processing certain tax credits and incentives for businesses. We have described the compensation arrangement and the conflicts that arrangement creates for clients introduced to them and describe how we mitigate that conflict.

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#### Item 4            **Advisory Business**

- A. SignatureFD, LLC, (the “Registrant”) is a limited liability company formed on June 18, 1997 in the State of Georgia. The Registrant became registered as an Investment Adviser Firm in July 2001. The Registrant’s Board of Managers oversees and directs operations of the firm as well as the senior leadership team which is led by Heather Robertson Fortner, the firm’s Chief Executive Officer.
- B. As discussed below, the Registrant offers to its clients (individuals, business entities, trusts, estates and charitable organizations, etc.) investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

#### **INVESTMENT ADVISORY SERVICES**

##### **Wealth Management Services**

The client can determine to engage the Registrant to provide discretionary wealth management services (financial planning-to the extent requested by the client, and investment management) on a *fee* basis. The Registrant’s annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under the Registrant’s management (between 0.50% and 1.00%) as follows:

<b>Client’s Assets Under Management</b>	<b>Fee (as a percentage of assets)</b>
First \$5,000,000	1.00%
Above \$5,000,000	0.50%

The Registrant remains available to address planning issues with the wealth management client on an ongoing basis. The Registrant’s fee will remain the same regardless of whether or not the client determines to address planning issues with the Registrant.

##### **Financial Planning and Consulting Services (Stand-Alone)**

To the extent requested by a client, the Registrant *may* determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Registrant’s planning and consulting fees are negotiable, but generally range from \$3,000 to \$15,000 on a fixed fee basis, and from \$200 to \$500 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

Prior to engaging the Registrant to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with Registrant setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Registrant commencing services.

If requested by the client, Registrant may recommend the services of other professionals for implementation purposes, including the Registrant’s representatives and/or Registrant’s affiliated entities in their separate licensed capacities. (*See* disclosure in Item 10). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. Please Note: If the client engages

any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. At all times, the engaged recommended professional[s] (i.e. attorney, accountant, insurance agent, etc.), and **not** Registrant, shall be responsible for the quality and competency of the services provided. Please Also Note: It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

## MISCELLANEOUS

**Investment Management Services (Stand-Alone).** In addition to its comprehensive wealth management services, the Registrant, in its exclusive discretion, may determine to provide investment management services on a stand-alone basis. The Registrant's annual investment advisory fee for these services shall be based upon a percentage (%) of the market value of the assets placed under the Registrant's management, as follows:

<b>Client's Assets Under Management</b>	<b>Fee (as a percentage of assets)</b>
First \$5,000,000	1.00%
Above \$5,000,000	0.50%

Although there is no difference in the advisory fee schedule between an investment management only engagement and a wealth management engagement (i.e., an engagement inclusive of ongoing financial planning and related consulting services), a client must generally place a minimum of \$2 million of assets under Registrant's management for a wealth management engagement. Should an investment management only client desire financial planning and related consulting services, the Registrant generally remains available to provide such services on a separate stand-alone fee basis. **ANY QUESTIONS:** Registrant's Chief Compliance Officer, Katie Amy, remains available to address them.

**Non-Investment Consulting/Implementation Services.** To the extent requested by the client, the Registrant *may* provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.), including the Registrant's representatives and/or Registrant's affiliated entities as discussed below. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. Please Note: If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. At all times, the engaged recommended professional[s] (i.e. attorney, accountant, insurance agent, etc.), and **not** Registrant, shall be responsible for the quality and competency of the services provided. Please Also Note: It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

**Data Aggregation Services using eMoney Advisor and ByAll Accounts.** SignatureFD may use or provide its clients with access to an online platform hosted by “eMoney Advisor” or ByAll Accounts, Inc. (the “aggregators”). Among other things, the aggregators allow a client to view their complete asset allocation, including those assets that SignatureFD does not manage (the “Excluded Assets”). SignatureFD does not provide investment management, monitoring, or implementation services for the Excluded Assets. Therefore, SignatureFD will not be responsible for the investment performance of the Excluded Assets. Rather, the client will be responsible for monitoring and managing the Excluded Assets. The client, however, *may* choose to engage SignatureFD to manage some or all of the Excluded Assets. The aggregators also provide access to other types of information, including financial planning concepts, which are not reviewed by, or approved of by SignatureFD, and clients are solely responsible for any financial planning decision made based on their use of the aggregators without SignatureFD’s assistance or oversight.

**Insurance Services.** Registrant is a licensed accident, sickness, casualty, life and property insurance agency and provides insurance related services to its clients. In addition, certain of Registrant’s Principals and representatives, in their individual capacities, are licensed insurance agents, and may recommend insurance-related services on a separate fee basis. No investment advisory client is required to engage Registrant, its Principals and/or representatives for insurance related services.

### **Private Investment Funds.**

#### **SignatureFD Private Equity Fund, L.P.**

SignatureFD, LLC is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Private Equity Fund GP, LLC (“PEF”). PEF is the General Partner of SignatureFD Private Equity Fund, LP (the “*Private Equity Fund*”), a private investment fund whose objective is to invest in the private equity asset class by allocating *Private Equity Fund* assets among multiple private equity strategies. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Private Equity Fund*. To the extent that Registrant’s individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Private Equity Fund*. The terms and conditions for participation in the *Private Equity Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Private Equity Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Private Equity Fund*.

#### **SignatureFD Private Asset Fund, L.P.**

SignatureFD, LLC is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Private Asset GP, LLC (“*Private*”). *Private* is the General Partner of SignatureFD Private Asset Fund, LP (the “*Private Fund*”), a private investment fund whose objective is to allow investors to take advantage of long term strategic investment opportunities in the private asset space in a way that maintains flexibility and

ample diversification by allocating *Private Fund* assets among multiple investment managers, and other private equity, debt and real estate investments. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Private Fund*. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Private Fund*. The terms and conditions for participation in the *Private Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Private Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Private Fund*.

#### Fairway Real Asset Fund I, L.P.

SignatureFD, LLC is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of Fairway RA Fund Manager, LLC ("*Fairway*"). *Fairway* is the General Partner of Fairway Real Asset Fund I, LP (the "*Fairway Fund*"), which is a private investment fund that primarily invests in other private investment funds that invest primarily in timber and oil and gas limited partnerships. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Fairway Fund*. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners in the *Fairway Fund*. The terms and conditions for participation in the *Fairway Fund*, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the *Fairway Fund* offering documents which each prospective investor client shall receive. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Fairway Fund*.

**Risks.** Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

**Valuation.** In the event that the Registrant references private investment funds owned by the client on any supplemental account reports prepared by the Registrant, the value(s) for all such private investment funds shall reflect either the initial purchase and/or the most recent valuation or estimate provided by the fund sponsor. If the valuation reflects the initial purchase price (and/or a value or estimate as of a previous date), the current value(s) (to the extent ascertainable) could be **significantly more or less** than the original purchase price.

**Independent Managers.** The Registrant may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent

investment managers in accordance with the client's designated investment objective(s). In such situations, the *Independent Manager[s]* shall have day-to-day responsibility for the active discretionary management of the allocated assets. The Registrant shall continue to render investment advisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which the Registrant shall consider in recommending *Independent Manager[s]* include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated *Independent Manager(s)*, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, are exclusive of, and in addition to, Registrant's ongoing investment advisory fee. Fees charged by Registrant pursuant to the use of *Independent Manager(s)* may be either in advance or arrears depending upon the specific Independent Manager relationship, and will be disclosed to the client at the point of entering into the advisory relationship.

**Retirement Rollovers - Conflict of Interest:** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Registrant recommends that a client roll over their retirement plan assets into an account to be managed by Registrant, such a recommendation creates a conflict of interest if Registrant will earn an advisory fee on the rolled over assets. **No client is under any obligation to rollover retirement plan assets to an account managed by Registrant. Registrant's Chief Compliance Officer, Katie Amy remains available to address any questions that a client or prospective client may have regarding the conflict of interest presented by such rollover recommendation.**

**Use of Mutual Funds and ETFs:** Most mutual funds are available directly to the public. Thus, a client or prospective client can obtain many of the mutual funds and ETFs that may be recommended and/or utilized by Registrant independent of engaging Registrant as an investment advisor. However, if a client or prospective client determines to do so, he/she/it will not receive Registrant's initial and ongoing investment advisory services.

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

- C. The Registrant shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, the Registrant shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on the Registrant's services.
- D. The Registrant does not participate in a wrap fee program.

- E. As of December 31, 2020, the Registrant had \$4,083,606,777 in assets under management on a discretionary basis and \$414,793,741 in assets under management on a non-discretionary basis. The Registrant has separately managed account relationships with certain clients where the client has invested in pooled investment vehicles managed by the Registrant. The firm has reported these assets in Form ADV, Part 1A with respect to both relationships. The numbers above are reported by excluding the assets that are invested in a client's separately managed account in an affiliated private investment fund.

## Item 5 Fees and Compensation

### A. INVESTMENT ADVISORY SERVICES

#### **Wealth Management Services**

If a client determines to engage the Registrant to provide wealth management services (financial planning-to the extent requested by the client, and investment management) on a *fee* basis, the Registrant's annual investment advisory fee shall be based upon a percentage (%) of the market value of the assets placed under the Registrant's management (between 0.50% and 1.00%) as follows:

<b>Client's Assets Under Management</b>	<b>Fee (as a percentage of assets)</b>
First \$5,000,000	1.00%
Above \$5,000,000	0.50%

#### **Financial Planning and Consulting Services (Stand-Alone)**

To the extent specifically requested by a client, the Registrant *may* determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone fee basis. Registrant's planning and consulting fees are negotiable, but generally range from \$3,000 to \$15,000 on a fixed fee basis, and from \$200 to \$500 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

**Investment Management Services (Stand-Alone)**. In addition to its comprehensive wealth management services, the Registrant, in its exclusive discretion, may determine to provide investment management services on a stand-alone basis. The Registrant's annual investment advisory fee for these services shall be based upon a percentage (%) of the market value of the assets placed under the Registrant's management, as follows:

<b>Client's Assets Under Management</b>	<b>Fee (as a percentage of assets)</b>
First \$5,000,000	1.00%
Above \$5,000,000	0.50%

Although there is no difference in the advisory fee schedule between an investment management only engagement and a wealth management engagement (i.e., an engagement inclusive of ongoing financial planning and related consulting services), a client must generally place a minimum of \$2 million of assets under Registrant's management for a wealth management engagement. Should an investment management only client desire financial planning and related consulting services, the Registrant generally remains



available to provide such services on a separate stand-alone fee basis. **ANY QUESTIONS:** Registrant's Chief Compliance Officer, Katie Amy, remains available to address them.

- B. Clients may elect to have the Registrant's advisory fees deducted from their custodial account. Both Registrant's *Investment Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures. In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice. The Registrant shall deduct fees and/or bill clients quarterly in advance, based upon the market value of the assets on the last business day of the previous quarter.
- C. As discussed below, the Registrant shall generally recommend that either Charles Schwab and Co., Inc. ("*Schwab*"), Fidelity Clearing & Custody Solutions ("*Fidelity*"), TD Ameritrade, Inc., member FINRA/SIPC ("*TD Ameritrade*"), or Pershing Advisor Solutions ("*Pershing*"), (depending upon an individual client's circumstances, Registrant may also recommend other broker-dealers/custodians, serve as the broker-dealer/custodian for client investment management assets. Broker-dealers charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). When beneficial to the client, individual fixed-income and/or equity transactions may be effected through broker-dealers with whom Registrant and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other SEC registered and FINRA member broker-dealers (in which event, the client generally will incur both the transaction fee charged by the executing broker-dealer and a "trade-away" fee charged by the account custodian).

Registrant's annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. For purposes of calculating our advisory fee, SignatureFD considers the absolute value of the securities in a client's account with no offset for any margin or debit balances. The Registrant generally requires a minimum asset level of \$2 million for investment advisory services. Registrant, in its sole discretion, may modify its asset minimum for wealth management services, charge a lesser investment advisory fee or charge a flat fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, competition, negotiations with client, etc.) As a result, similarly situated clients could pay different fees. In addition, similar services may be available from other investment advisers for similar or lower fees. **ANY QUESTIONS:** Registrant's Chief Compliance Officer, Katie Amy, remains available to address them.

- D. The *Investment Advisory Agreement* between the Registrant and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, the Registrant shall return to the client the pro-rated portion of the advance paid advisory fee based upon the number of days that services were provided during the billing quarter.

- E. Neither the Registrant, nor its representatives accept compensation from the sale of securities or other investment products.

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

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees from clients. However, one or more of the affiliated private funds charge investors performance-based fees. The terms and conditions for the affiliated private funds, including their management and incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in each affiliated private fund's offering documents, which each prospective investor client shall receive and shall be required to complete.

Differences can exist across the affiliated private funds in the total fees paid by each affiliated private fund, the amount of assets in each affiliated private fund and in the amount of investments (or investments by affiliates) in each affiliated private fund. These differences could create an incentive to favor one affiliated private fund over other affiliated private funds in terms of how much time and energy Registrant places into managing an affiliated private fund.

Generally, Registrant does not face conflicts of interest in allocation of investment opportunities or trades across affiliated private funds, because each affiliated private fund that has uncommitted capital has a sufficiently different investment mandate. In the event any issue involving allocation of investment opportunities or trades arises, the Registrant will endeavor to resolve it in a manner they deem fair and equitable.

In addition, Registrant believes certain clients potentially stand to benefit by accessing alternative investment strategies through the affiliated private funds. Registrant does not initially offer investment opportunities that are available for the affiliated private funds directly to clients, but rather, first provides these investment opportunities to the affiliated private funds. In the event an opportunity is declined by the affiliated private funds, but is determined to be appropriate for clients, Registrant will determine if clients are interested and the investment is suitable. If the investment has limited availability, Registrant can offer the opportunity to interested clients on a fair and equitable basis.

Registrant generally charges advisory clients an asset-based fee for the advisory services provided, but Registrant (or its affiliates) are entitled to receive performance-based fees or allocations from the affiliated private funds. In addition, the affiliated private funds can pay higher asset-based fees to Registrant than certain clients. As a result, Registrant has an incentive to recommend that clients invest in one or more affiliated private funds.

Registrant seeks to mitigate these conflicts of interest by disclosing them to clients and allowing clients to determine whether investments in the affiliated private funds are appropriate for them. In addition, the performance of the affiliated private funds is not a specific metric used to determine the compensation structure of our representatives, though representatives who indirectly have an equity interest in the Registrant will derive indirect benefits from performance-based fees or allocations received by our affiliates or us.

No client is under any obligation to become an investor in any affiliated private fund. The terms and conditions for the affiliated private funds, including their management and

incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in each affiliated private fund's offering documents, which each prospective investor client shall receive and shall be required to complete. **The Registrant's Chief Compliance Officer, Katie Amy, remains available to address any questions regarding this conflict of interest.**

## **Item 7            Types of Clients**

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

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

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

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

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

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)
- Short Sales (contracted sale of borrowed securities with an obligation to make the lender whole)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)
- Margin Transactions (use of borrowed assets to purchase financial instruments)

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

B. The Registrant's methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of the Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of

market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The Registrant's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

In addition to the fundamental investment strategies discussed above, from time to time the Registrant may use or recommend short selling, use of margin, or options transactions. Each of these strategies has a high level of inherent risk. (*See discussion below*). These strategies are used infrequently by the Registrant.

Short selling is an investment strategy with a high level of inherent risk. Short selling, involves the selling of assets that the investor does not own. The investor borrows the assets from a third party lender (i.e. Broker-Dealer) with the obligation of buying identical assets at a later date to return to the third party lender. Individuals who engage in this activity shall only profit from a decline in the price of the assets between the original date of sale and the date of repurchase. Conversely, the short seller will incur a loss if the price of the assets rises. Other costs of shorting may include a fee for borrowing the assets and payment of any dividends paid on the borrowed assets.

The use of options transactions as an investment strategy involves a high level of inherent risk. Options transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by the Registrant shall be with the intent of offsetting/"hedging" a potential market risk in a client's portfolio. **Please Note:** Although the intent of the options-related transactions that may be implemented by the Registrant is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, a client may direct the Registrant, in writing, not to employ any or all such strategies for his/her/their/its accounts.

### **Risks Associated With Margin Loans and Securities Based Loans**

SignatureFD may recommend that a client establish a margin loan or a securities based loan (collectively, "SBLs") with the client's broker-dealer/custodian or their affiliated banks (each, an "SBL Lender") to access SBLs for financial planning and cash flow

management purposes. For example, SignatureFD may deem it advisable for a client to borrow money on margin to pay bills or other expenses such as financing the purchase, construction, or maintenance of a real estate project.

The terms and conditions of each SBL are contained in a separate agreement between the client and the SBL Lender selected by the client, which terms and conditions may vary from client to client. Borrowing funds on margin is not suitable for all clients and is subject to certain risks, including but not limited to: increased market risk, increased risk of loss, especially in the event of a significant downturn; liquidity risk; the potential obligation to post collateral or repay the SBL if the SBL Lender determines that the value of collateralized securities is no longer sufficient to support the value of the SBL; the risk that the SBL Lender may liquidate the client's securities to satisfy its demand for additional collateral or repayment; and the risk that the SBL Lender may terminate the SBL at any time.

Before agreeing to participate in an SBL program, clients should carefully review the applicable SBL agreement and all risk disclosures provided by the SBL Lender including the initial margin and maintenance requirements for the specific program in which the client enrolls, and the procedures for issuing "margin calls" and liquidating securities and other assets in the client's accounts. The following describes some of the risks associated with SBLs, which SignatureFD recommends that clients consider before participating in an SBL program:

Borrowing money on margin to pay bills or other expenses increases a client's level of exposure to market risk and volatility. The more money a client borrows on margin, the greater the market risk. If the value of the client's portfolio securities decline in value, so does the value of the collateral supporting the SBL. If the value of the collateral declines to an amount where it is no longer sufficient to support the borrower's line of credit or loan, the SBL Lender will issue a maintenance call (also referred to as a margin call). In that event, the client would be required to post additional collateral or repay the SBL within a specified period of time.

**Conflicts of Interest Arising From SBLs:** If SignatureFD recommends that a client apply for an SBL instead of selling securities that SignatureFD manages for a fee to meet liquidity needs, the recommendation presents an ongoing conflict of interest because selling those securities (instead of leveraging those securities to access an SBL) would reduce the amount of assets to which SignatureFD's investment advisory fee percentage is applied, and reduce the amount of investment advisory fees collected by SignatureFD. Likewise, the same ongoing conflict of interest is present if a client determines to apply for an SBL on their own initiative. These ongoing conflicts of interest would persist as long as SignatureFD has an economic disincentive to recommend that the client terminate the use of SBLs. Clients are therefore reminded that they are not under any obligation to use SBLs, and are solely responsible for determining when to use, reduce, and terminate the use of SBLs. Although SignatureFD seeks to disclose all conflicts of interest related to its recommended use of SBLs and related business practices, there may be other conflicts of interest that are not identified above. Clients are therefore reminded to carefully review the applicable SBL agreement and all risk disclosures provided by the SBL Lender as applicable.

**Portfolio Activity.** Registrant has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Registrant will review

client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, market conditions, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Registrant determines that changes to a client's portfolio are neither necessary nor prudent. Registrant's advisory fee remains payable during periods of account inactivity. Of course, as indicated below, there can be no assurance that investment decisions made by Registrant will be profitable or equal any specific performance level(s).

- C. Currently, the Registrant primarily allocates client investment assets among various mutual funds and ETFs (exchange traded funds), on a discretionary basis, in accordance with the client's designated investment objective(s). The Registrant may also provide discretionary and/or non-discretionary investment advisory services relative to client assets that are being actively managed by unaffiliated independent managers. (See *Independent Manager[s]* above).

## **Item 9           Disciplinary Information**

The Registrant has not been the subject of any disciplinary actions.

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

- A. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. **Private Investment Funds.** As disclosed in Item 4.B above, the Registrant is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Private Equity Fund GP, LLC ("PEF"). PEF is the General Partner of SignatureFD Private Equity Fund, LP (the "*Private Equity Fund*"), a private investment fund whose objective is to invest in the private equity asset class by allocating *Private Equity Fund* assets among multiple private equity strategies. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Private Equity Fund*. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Private Equity Fund*. The terms and conditions for participation in the *Private Equity Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Private Equity Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Private Equity Fund*.

In addition, SignatureFD, LLC is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Private Asset GP, LLC ("*Private*"). *Private* is the General Partner of SignatureFD Private Asset Fund, LP (the "*Private Fund*"), a

private investment fund whose objective is to allow investors to take advantage of long term strategic investment opportunities in the private asset space in a way that maintains flexibility and ample diversification by allocating *Private Fund* assets among multiple investment managers, and other private equity, debt and real estate investments. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Private Fund*. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Private Fund*. The terms and conditions for participation in the *Private Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Private Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Private Fund*.

In addition, the Registrant is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of Fairway RA Fund Manager, LLC ("*Fairway*"). *Fairway* is the General Partner of Fairway Real Asset Fund I, LP (the "*Fairway Fund*"), which is a private investment fund that primarily invests in other private investment funds that invest primarily in timber and oil and gas limited partnerships. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Fairway Fund*. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners in the *Fairway Fund*. The terms and conditions for participation in the *Fairway Fund*, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the *Fairway Fund* offering documents which each prospective investor client shall receive. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Fairway Fund*.

**Please Note:** The Registrant may provide investment advice regarding private investment funds. Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

**Please Note: Valuation.** In the event that the Registrant references private investment funds owned by the client on any supplemental account reports prepared by the Registrant, the value(s) for all such private investment funds shall reflect either the initial purchase and/or the most recent valuation or estimate provided by the fund sponsor. If the valuation reflects the initial purchase price (and/or a value or estimate as of a previous date), the current value(s) (to the extent ascertainable) could be **significantly more or less** than the original purchase price.

**Conflict of Interest:** Because the Registrant, Registrant's affiliates, and/or Registrant's members shall potentially earn compensation from the *Private Fund and the Private Equity Fund*, that shall exceed the fee that the Registrant would earn under its standard "assets under management" fee schedule referenced at Item 4.B above, the recommendation that a client become a *Private Fund* or *Private Equity Fund* investor presents a **conflict of interest**. No client is under any obligation to become a *Private Fund* or *Private Equity Fund* investor. **The Registrant's Chief Compliance Officer, Katie Amy, remains available to address any questions regarding this conflict of interest.**

**Certified Public Accountants.** As set forth in Item 4.B above, the Registrant is affiliated with Frazier & Deeter, LLC ("*Frazier*"), a certified public accounting firm. Certain active and passive owners, and/or employees of the Registrant are actively employed as accountants with *Frazier*. *Frazier* provides accounting and/or tax preparation services, including services for clients of the Registrant. *Frazier* is also an affiliate of FD Fund Administration, which provides outsourced fund administration services to real estate, private equity and other funds separate and apart from, and not material to the services provided by the Registrant. *Frazier* is also an affiliate of FD Real Asset Advisors, LLC, which provides verification of accredited investors for conservation easement funds separate and apart from, and not material to the services provided by the Registrant.

**Conflict of Interest:** If Registrant's clients require accounting services or any other services provided by *Frazier's* affiliated entities, the Registrant may recommend the services of *Frazier* or its respective affiliate, thereby raising a conflict of interest. To the extent that a client requires such services, the client is under no obligation to engage *Frazier* or its affiliates for the same. In addition, in the event that members of the Registrant and/or *Frazier* recommend the services of the other to their respective clients, the referring member shall usually receive a portion of the fee earned by the recommended firm. **The Registrant's Chief Compliance Officer, Katie Amy, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

**Licensed Insurance Agency/Agents.** Registrant is a licensed insurance agency. In addition, certain of Registrant's Principals and representatives, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. Certain representatives are also associated with or have arrangements with other unaffiliated agencies. ,

**Conflict of Interest:** Our recommendation to purchase an insurance commission product through the Registrant, a Principal, a representative of ours, or through an unaffiliated insurance agency presents conflicts of interest, as the receipt of commissions and access to products provide incentive to recommend insurance products based on commissions to be received, rather than on your particular need. No client is under any obligation to purchase any insurance products through us, our Principals, our representatives, or any other entity we may recommend. You are reminded that you may purchase insurance products we recommend through other, non-affiliated insurance agents or agencies. **The Registrant's Chief Compliance Officer, Katie Amy, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**



- D. The Registrant does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

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

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

- B. Interest in Client Transactions. As disclosed in Item 4.B above, the Registrant is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Private Equity Fund GP, LLC ("PEF"). PEF is the General Partner of SignatureFD Private Equity Fund, LP (the "*Private Equity Fund*"), a private investment fund whose objective is to invest in the private equity asset class by allocating *Private Equity Fund* assets among multiple private equity strategies. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Private Equity Fund*. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Private Equity Fund*. The terms and conditions for participation in the *Private Equity Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Private Equity Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Private Equity Fund*.

In addition, SignatureFD, LLC is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Private Asset GP, LLC ("*Private*"). *Private* is the General Partner of SignatureFD Private Asset Fund, LP (the "*Private Fund*"), a private investment fund whose objective is to allow investors to take advantage of long term strategic investment opportunities in the private asset space in a way that maintains flexibility and ample diversification by allocating *Private Fund* assets among multiple investment managers, and other private equity, debt and real estate investments. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Private Fund*. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Private Fund*. The terms and conditions for participation in the *Private Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Private Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall

be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Private Fund*.

In addition, the Registrant is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of Fairway RA Fund Manager, LLC (“*Fairway*”). *Fairway* is the General Partner of Fairway Real Asset Fund I, LP (the “*Fairway Fund*”), which is a private investment fund that primarily invests in other private investment funds that invest primarily in timber and oil and gas limited partnerships. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Fairway Fund*. To the extent that Registrant’s individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners in the *Fairway Fund*. The terms and conditions for participation in the *Fairway Fund*, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the *Fairway Fund* offering documents which each prospective investor client shall receive. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Fairway Fund*.

**Conflict of Interest:** Because the Registrant, Registrant’s affiliates, and/or Registrant’s members shall potentially earn compensation from the *Private Fund* and the *Private Equity Fund*, that shall exceed the fee that the Registrant would earn under its standard “assets under management” fee schedule referenced at Item 4.B above, the recommendation that a client become a *Private Fund* or *Private Equity Fund* investor presents a **conflict of interest**. No client is under any obligation to become a *Private Fund* or *Private Equity Fund* investor. **The Registrant’s Chief Compliance Officer, Katie Amy, remains available to address any questions regarding this conflict of interest.**

- C. Personal Securities Transaction Policy. The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant’s “Access Persons”. The Registrant’s securities transaction policy requires that Access Persons of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person’s current securities holdings at least once each twelve (12) month period thereafter on a date the Registrant selects.
- D. Firm and Employees Investments. The Registrant and/or representatives of the Registrant *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Registrant and/or representatives of the firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. Practices such as “scalping” (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities. As indicated above in Item 11 C., the Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant’s Access Persons. This requirement can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of the Registrant’s clients) and other potentially abusive practices.

- E. **Employee Investments.** Certain owners and employees of SignatureFD may make personal investments in private securities that are not offered to clients, such as pooled investment vehicles and private placements. Some of these investments may be sponsored by, or introduced to SignatureFD by its clients. SignatureFD's owners and employees are under no obligation to provide these investment opportunities to clients, unless the SignatureFD Investment Committee determines that the opportunity is appropriate for, and should be made available to, SignatureFD's clients.
- F. **Investments in Funds Subject to Employment, Ownership, or other Business Relationships.** From time to time, Registrant may recommend one or more private investment funds to a client. It is possible that these funds or their general partners (or the legal equivalent) may be owned by, or may employ, one or more of Registrant's clients or their family members. These relationships create a conflict of interest, because it creates an incentive to favor one client over another. We maintain policies and procedures designed to mitigate this conflict of interest, which are described below.

We make no direct or indirect promise or agreement to commit to introduce any number of clients or amount of assets to any private investment fund based on our client relationships. In addition, the SignatureFD Investment Committee is responsible for determining whether any private investment fund is an appropriate investment for clients. Clients may also request information about whether a private investment fund they have been recommended or have invested in may be subject to this conflict of interest directly with their Wealth Advisor or our Chief Compliance Officer. Due to privacy concerns, they may not be able to share extensive information about the conflict of interest. No client is under any obligation to invest in any private investment fund.

## **Item 12      Brokerage Practices**

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

Factors that the Registrant considers in recommending any other broker-dealer/custodian to clients include historical relationship with the Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Registrant's clients shall comply with the Registrant's duty to seek best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealers' services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not

necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment management fee. The Registrant's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

#### Non-Soft Dollar Research and Additional Benefits

When determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian (i.e., *Schwab, Fidelity, TD Ameritrade, Pershing*, etc.), Registrant has received, and can in the future receive, from a broker-dealer/custodian (i.e., *Schwab, Fidelity, TD Ameritrade, Pershing*, etc.) or another service provider or vendor, without cost (and/or at a discount), support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that can be obtained by the Registrant may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

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

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at any broker-dealer/custodian as a result of this arrangement. There is no corresponding commitment made by the Registrant to any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

**The Registrant's Chief Compliance Officer, Katie Amy, remains available to address any questions that a client or prospective client may have regarding the above arrangements, and the corresponding conflicts of interest presented by such arrangements.**

#### Schwab

Products and services available to Registrant. Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like Registrant. Schwab provides Registrant and its 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 Registrant manage or administer clients' accounts, while others help Registrant manage and grow its business. Schwab's support services are generally available on an unsolicited basis (we do not have to request them) and at no charge to Registrant. Following is a more detailed description of Schwab's support services.

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 Registrant might not otherwise have access or that would require a significantly higher minimum initial investment by Registrant's clients.

Services that may not directly benefit client. Schwab also makes available other products and services that benefit Registrant but may not directly benefit clients. These products and services assist Registrant in managing and administering Registrant's clients' accounts. They include investment research, both Schwab's own and that of third parties. Registrant may use this research to service all or a substantial number of its clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that: provide access to client account data (such as duplicate trade confirmations and account statements), facilitate trade execution and allocate aggregated trade orders for multiple client accounts, provide pricing and other market data, facilitate payment of Registrant's fees from Registrant's clients' accounts and assist with back-office functions, recordkeeping, and client reporting.

Services that generally benefit Registrant. Schwab also offers other services intended to help Registrant manage and further develop its business enterprise. These services include: educational conferences and events, consulting on technology, compliance, legal, and business needs, publications and conferences on practice management and business succession, access to employee benefits providers, human capital consultants, and insurance providers Schwab may provide some of these services itself. In other cases, Schwab will arrange for third-party vendors to provide the services to Registrant. 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, including a speaker fee for Registrant's client events. Schwab may also provide Registrant with other benefits, such as occasional business entertainment for Registrant personnel.

Registrant's interest in Schwab Services. The availability of these services from Schwab benefits Registrant because it does not have to produce or purchase them. This creates an incentive to recommend that clients maintain accounts with Schwab, based on Registrant's interest in receiving Schwab's services that benefit Registrant's business rather than based on clients' interests in receiving the best value in custody services and the most favorable execution of transactions. This is a potential conflict of interest. Registrant believes, however, that when it recommends Schwab as custodian and broker it is in the best interests of clients. The selection is primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that only benefit Registrant.

#### TD Ameritrade

If appropriate based upon a particular client's investment objectives, the Registrant may recommend *TD Ameritrade* for execution and/or custodial services. *TD Ameritrade* is a broker-dealer that is independent of, and unaffiliated with Registrant. *TD Ameritrade* does not supervise Registrant and has no responsibility for Registrant's management of clients' portfolios or Registrant's other advice or services.

*TD Ameritrade* offers services to independent investment advisors which include custody of securities, trade execution, clearance and settlement of transactions. Registrant receives some benefits from *TD Ameritrade* through its participation in the institutional advisor program ("the Service"), offered by TD Ameritrade Institutional, a division of *TD*

*Ameritrade, Inc.*, member FINRA/SIPC, an unaffiliated SEC-registered broker-dealer and FINRA member, which is designed to provide advisors with tools (without a cost or at a discount) to assist in managing and administering client accounts (*i.e.*, research related tools and products, portfolio rebalancing technology, iRebal, *etc.*). Other services provided by *TD Ameritrade* (such as practice management consulting) are intended to help further develop the Registrant's business enterprise.

There is no direct link between Registrant's participation in the Service and the investment advice it gives to its clients, although Registrant receives economic benefits through its participation in the Service that are typically not available to *TD Ameritrade's* retail investors. These benefits may 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 Registrant's 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 Registrant by third party vendors. *TD Ameritrade* may also have paid for business consulting and professional services received by Registrant's related persons.

Some of the products and services made available by *TD Ameritrade* through the Service may benefit Registrant without directly benefitting its clients. These products or services may assist Registrant in managing and administering client accounts, including accounts not maintained at *TD Ameritrade* which may indirectly influence the Registrant's choice of *TD Ameritrade* for custody and brokerage services. Thus, Registrant will have an incentive to recommend that client accounts be held in custody at *TD Ameritrade* and Registrant's participation in the Service raises a conflict of interest.

As part of its fiduciary duties to clients, Registrant endeavors at all times to put the interests of its clients first. While the benefits received by Registrant or its representatives through participation in the Service do not depend on the amount of brokerage transactions directed to *TD Ameritrade*, clients should be aware, however, that the receipt of economic benefits by Registrant or its related persons in and of itself creates a conflict of interest and may indirectly influence the Registrant's recommendation that clients utilize *TD Ameritrade* for custody and brokerage services.

For accounts of Registrant's clients maintained in custody at *TD Ameritrade*, *TD Ameritrade* will not charge the client separately for custody but will receive compensation from Registrant's clients in the form of commissions or other transaction-related compensation on securities trades executed through *TD Ameritrade*. *TD Ameritrade* also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades to be executed through *TD Ameritrade* rather than another broker-dealer. Registrant nevertheless acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at *TD Ameritrade* may be executed through a different broker-dealer than trades for Registrant's other clients. Thus, trades for accounts custodied at *TD Ameritrade* may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

Registrant receives from *TD Ameritrade* certain additional economic benefits (“Additional Services”). In providing Additional Services to Registrant, *TD Ameritrade* considers the amount and profitability to *TD Ameritrade* of the assets in, and trades placed for, Registrant’s Client accounts maintained with *TD Ameritrade*. *TD Ameritrade* retains the right to terminate the Additional Services Addendum at its sole discretion, provided certain conditions are met.

**The Registrant’s Chief Compliance Officer, Katie Amy, remains available to address any questions that a client or prospective client may have regarding the above arrangements, and the corresponding conflicts of interest presented by such arrangements..**

Registrant considers a number of factors in selecting brokers and custodians at which to locate (or recommend location of) its client accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided. In selecting *TD Ameritrade* as the broker and custodian for certain of its current and future client accounts, Registrant takes into consideration its arrangement with *TD Ameritrade* as to obtaining price discounts for *TD Ameritrade*’s automatic portfolio rebalancing service for advisors known as “iRebal”. The standard iRebal annual license fee applicable to Registrant is \$109,000. That fee is subject to specified reductions (and even complete waiver) if specified amounts of client taxable assets are either already on the *TD Ameritrade* platform or are committed to be placed on it. Specified taxable assets either maintained on or committed to the TD Ameritrade Institutional platform will bring fee reductions of up to \$109,000 per year for each of as many as three years or more. The non-taxable assets excluded from the maintenance and commitment levels described above are those that constitute “plan assets” of plans subject to Title 1 of the Employee Retirement Income Security Act of 1974, amended, or of plans as defined in Section 4975 of the Internal Revenue Code (which include IRAs). If Registrant does not maintain the relevant level of taxable assets on the *TD Ameritrade* platform, Registrant may be required to make a penalty fee payment to *TD Ameritrade* calculated on the basis of the shortfall. Although Registrant believes that the products and services offered by *TD Ameritrade* are competitive in the marketplace for similar services offered by other broker-dealers or custodians, the arrangement with *TD Ameritrade* as to the iRebal service may affect Registrant’s independent judgment in selecting or maintaining *TD Ameritrade* as the broker or custodian for client accounts.

**The Registrant’s Chief Compliance Officer, Katie Amy, remains available to address any questions that a client or prospective client may have regarding the above arrangement and the corresponding conflict of interest presented by such arrangement.**

#### Event Sponsorships

From time-to-time, the Registrant may host certain events, including charitable events, from which it has in the past, and may in the future, solicit sponsorship contributions from the custodians that it recommends for client accounts. The Registrant shall not make any endorsement or recommendation of such custodian or any of its products or services in conjunctions with the event.

**The Registrant's Chief Compliance Officer, Katie Amy, remains available to address any questions that a client or prospective client may have regarding the above arrangements and the corresponding conflict of interest presented by such arrangements.**

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

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

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

- B. To the extent that the Registrant provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless the Registrant decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. The Registrant shall not receive any additional compensation or remuneration as a result of such aggregation.
- C. In some instances, a security to be sold by one client account may independently be considered appropriate for purchase by another client account. The Registrant may effect such a "cross transaction" if it is in the best interests of both clients, consistent with applicable laws and policies and clients' investment objectives and restrictions. SignatureFD does not permit client accounts governed by the Employee Retirement Income Security Act of 1974, as amended, to engage in cross trading.



## Item 13      **Review of Accounts**

- A. For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.
- B. The Registrant may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

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

Economic Benefits from Non-Clients. As referenced in Item 12.A.1 above, the Registrant receives economic benefits from *Schwab*, and *TD Ameritrade*. Clients and prospective clients should review Item 12.A.1 above for additional information.

The Registrant has entered a referral agreement with Synergi Partners, Inc. Synergi Partners is in the business of identifying and processing certain tax credits and incentives for businesses. The Registrant is entitled to a tenth of collected revenue derived from persons introduced to Synergi Partners. This creates a conflict of interest because the Registrant is incentivized to recommend the services of Synergi Partners over other similar service providers that may be more qualified or that do not compensate the Registrant. The Registrant addresses this conflict of interest by disclosing it to clients.

### A. Client Referrals.

#### 1. General Referrals by Unaffiliated Persons

If a client is introduced to Registrant by an unaffiliated solicitor, Registrant pays that solicitor a referral fee in accordance with a written agreement between Registrant and the solicitor. Registrant does not charge clients referred by a solicitor any fees or costs greater than the fees or costs Registrant charges clients with similar accounts who were not referred by a solicitor. Solicitor or Registrant discloses the compensation arrangement between Registrant and solicitor to a prospective client before the client enters into an investment advisory relationship with Registrant.

#### 2. Schwab Referrals

Registrant receives client referrals from *Schwab* through Registrant's participation in the Schwab Advisor Network™ ("the SAN Service"), designed to help investors find an independent investment advisor. *Schwab* is a broker-dealer independent of and unaffiliated

with Registrant. *Schwab* does not supervise Registrant and has no responsibility for Registrant's management of clients' portfolios or Registrant's other advice or services. Registrant pays *Schwab* fees to receive client referrals through the SAN Service. Registrant's participation in the SAN Service may raise potential conflicts of interest described below.

Registrant pays *Schwab* a Participation Fee on all referred clients' accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by Registrant is a percentage of the fees owed by the client to Registrant or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Registrant pays *Schwab* the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to Registrant quarterly and may be increased, decreased or waived by *Schwab* from time to time. The Participation Fee is paid by Registrant and not by the client. Registrant has agreed not to charge clients referred through the SAN Service fees or costs greater than the fees or costs Registrant charges clients with similar portfolios (pursuant to Registrant's standard fee schedule as in effect from time to time) who were not referred through the SAN Service.

Registrant generally pays *Schwab* a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from *Schwab*, unless the client was solely responsible for the decision not to maintain custody at *Schwab*. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed in custody other than at Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees Registrant generally would pay in a single year. Thus, Registrant will have an incentive to recommend that client accounts be held in custody at *Schwab*.

The Participation and Non-Schwab Custody Fees will be based on assets in accounts of Registrant's clients who were referred by *Schwab* and those referred clients' family members living in the same household. Thus, Registrant will have incentives to encourage household members of clients referred through the SAN Service to maintain custody of their accounts and execute transactions at *Schwab* and to instruct *Schwab* to debit Registrant's fees directly from the accounts.

For accounts of Registrant's clients maintained in custody at *Schwab*, *Schwab* will not charge the client separately for custody but will receive compensation from Registrant's clients in the form of commissions or other transaction-related compensation on securities trades executed through *Schwab*. *Schwab* also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades to be executed through *Schwab* rather than another broker-dealer. Registrant nevertheless acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at *Schwab* may be executed through a different broker-dealer than trades for Registrant's other clients. Thus, trades for accounts custodied at *Schwab* may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how the benefit us, and the related conflicts of interest are described above. (See Item 12)

### 3. TD Ameritrade Referrals

Registrant may receive client referrals from *TD Ameritrade* through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Registrant may have been selected to participate in AdvisorDirect based on the amount and profitability to *TD Ameritrade* of the assets in, and trades placed for, client accounts maintained with *TD Ameritrade*. *TD Ameritrade* is a discount broker-dealer independent of and unaffiliated with Registrant and there is no employee or agency relationship between them. *TD Ameritrade* has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. *TD Ameritrade* does not supervise Registrant and has no responsibility for Registrant's management of client portfolios or other advice or services. Registrant pays *TD Ameritrade* an on-going fee for each successful client referral. For referrals that occurred through AdvisorDirect before April 10, 2017, this fee is a percentage (not to exceed 25%) of the advisory fee that the client pays to Registrant ("Solicitation Fee"). For referrals that occurred through AdvisorDirect on or after June 9, 2017 the Solicitation Fee is an annualized fee based on the amount of referred client assets that does not exceed 25% of 1%, unless such client assets are subject to a Special Services Addendum. In the case of a Special Services Addendum, the Solicitation Fee is an annualized fee based on the amount of referred client assets that does not exceed 10% of 1%. Registrant will also pay *TD Ameritrade* the Solicitation Fee on any advisory fees or assets under management received by Registrant from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Registrant on the recommendation of such referred client. Registrant will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to *TD Ameritrade* to its clients. For information regarding additional or other fees paid directly or indirectly to *TD Ameritrade*, please refer to the *TD Ameritrade* AdvisorDirect Disclosure and Acknowledgement Form.

Registrant's participation in AdvisorDirect raises conflicts of interest. *TD Ameritrade* will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at *TD Ameritrade* and whose client accounts are profitable to *TD Ameritrade*. Consequently, in order to obtain client referrals from *TD Ameritrade*, Registrant may have an incentive to recommend to clients that the assets under management by Registrant be held in custody with *TD Ameritrade* and to place transactions for client accounts with *TD Ameritrade*. In addition, Registrant has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from *TD Ameritrade* or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Registrant's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

### 4. Employee Referrals

We pay certain employees, and employees of our affiliated accounting firm, who refer prospective clients to us, assuming those prospects become our clients. These employees receive one-time bonuses and ongoing payments for a specified period based on the amount of new client assets successfully solicited. In addition, equity owners of the Registrant receive an indirect benefit from any referral made to the Registrant.

## Item 15      Custody

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

Although the Registrant does not offer custody services for clients directly as a "qualified custodian", Registrant's affiliate, *Frazier*, and Registrant provide certain services that cause Registrant to be deemed to have custody of client assets under rule 206(4)-2 of the Advisers Act. For example, clients have engaged *Frazier* (or an employee or partner of *Frazier*) or Registrant to act as co-trustee of a client trust or executor of a client's estate, or to assist clients to pay bills or otherwise assist in administering personal finances. *Frazier* or an employee or partner of *Frazier*, or Registrant, will write checks or withdraw funds in their capacity as co-trustee or executor, which causes Registrant to be deemed to have custody of the client's account. Each client's funds over which Registrant is deemed to have custody are maintained at a "qualified custodian" that sends at least quarterly account statements to the client or the client's designated representative. Copies of account statements are also sent to Registrant and available to Registrant electronically. Registrant has formed a reasonable belief based on the availability of these statements that the "qualified custodian" is providing account statements directly to clients at least quarterly. Registrant encourages all clients to check account balances and activity when they receive account statements. Registrant urges you to carefully review statements and compare custodian/sponsor statements in comparison to those provided by Registrant.

In addition, Registrant is subject to an annual surprise examination or obtains audited financial statements by an independent accountant, with respect to accounts for which Registrant is deemed to have custody. A copy of the exam report is available upon request. It is also available through the SEC's website, [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

Registrant has received from certain clients standing letters of authorization that permit it to instruct the account's custodian to transfer funds to other accounts. Registrant is deemed to have custody of those client funds where it has the ability to transfer funds to a third party, but consistent with guidance issued by the SEC, these accounts are not subject to a surprise examination.

To the extent that the Registrant provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by the Registrant with the account statements received from the account custodian. The account custodian does not verify the accuracy of the Registrant's advisory fee calculation.

## Item 16      Investment Discretion

The client can determine to engage the Registrant to provide investment advisory services on a discretionary basis. Prior to the Registrant assuming discretionary authority over a client's account, client shall be required to execute an *Investment Advisory Agreement*, naming the Registrant as client's attorney and agent in fact, granting the Registrant full

authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

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

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

- A. Except for client assets managed by unaffiliated investment managers that maintain proxy voting authority, 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.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact the Registrant to discuss any questions they may have with a particular solicitation.

#### **Item 18      Financial Information**

- A. The Registrant does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. The Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. The Registrant has not been the subject of a bankruptcy petition.

**ANY QUESTIONS: The Registrant's Chief Compliance Officer, Katie Amy, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**