

FORM ADV PART 2A – Disclosure Brochure

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CAPITAL MANAGEMENT, LLC
Performance • Perspective • Per Stirling

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This brochure provides information about the qualifications and business practices of Per Stirling Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us by telephone at (512) 628-2300 or by e-mail at info@perstirling.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 on Per Stirling Capital Management, LLC, is also available on the SEC's website at www.adviserinfo.sec.gov.



Item 2. Material Changes

Material Changes

This section of the brochure will be updated annually or when material changes occur since the previous release of our Disclosure Brochure.

Since the last annual update, dated March 13, 2020, Per Stirling has had no material changes occur.

More Information Available

Current copies of the firm's disclosures are available on the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching the firm name or CRD #: 151671. You can also visit our website at www.perstirling.com. You can contact us via email at info@perstirling.com or call us directly at (512) 628-2300 to request up-to-date information or copies of any of our disclosures.

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Item 4. Advisory Business

Firm Description

PER STIRLING CAPITAL MANAGEMENT, LLC (hereafter PER STIRLING) is a Registered Investment Advisory (RIA) firm headquartered in Austin, Texas, and registered with the Securities and Exchange Commission. Please note that being “registered” is simply the end result of a registration process, and does not imply a certain level of skill or training.

PER STIRLING was founded in 2009 and is led by an experienced and proven management team. The firm’s two Directors, John Per O’Sullivan and Robert Stirling Phipps, III, together average over thirty years of industry experience and over twenty years of managing portfolios together. They’ve held the positions of President, Director, Chief Investment Officer, or Chief Market Strategist of Registered Investment Advisory and/or Broker-Dealer Firms.

PER STIRLING has three core competencies. They include 1) the management of custom-designed portfolios, 2) the management of a series of proprietary growth portfolios (a.k.a. “PER STIRLING Model Portfolios”), and 3) financial planning services, which are all described in the body of this writing.

PER STIRLING is strictly a fee-based Registered Investment Advisor firm, and does not sell annuities, insurance, stocks, bonds, mutual funds, or other commissioned products. However, while PER STIRLING is fee only, some of our registered individuals are dually registered with B.B. Graham & Company, a registered broker-dealer and member of FINRA/SIPC, and can accept commissions for products sold through the broker-dealer.

PER STIRLING does not directly or indirectly compensate non-registered individuals for client referrals. PER STIRLING can, on occasion, recommend the services of other professionals (i.e., lawyers, accountants, insurance agents, etc.). However, any such professionals are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

Principal Owners

John Per O’Sullivan and Robert Stirling Phipps, III, are majority stockholders of Per Stirling Capital Management, LLC. Richard Alan Jacobs is a minority stockholder in Per Stirling Capital Management, LLC.

Of note, John Per O’Sullivan is affiliated with B.B. Graham & Company as a Registered Representative, and is located in their Austin, Texas, branch office location, which operates as an Office of Supervisory Jurisdiction (an office identified by the broker-dealer as having supervisory responsibilities).

Types of Advisory Services

Investment Management Services

PER STIRLING manages custom-designed portfolios for clients. These portfolios are managed based on the client’s stated objectives and in many instances, are to produce current income, manage the distribution of principal, or growth.

In addition to custom-designed portfolios, PER STIRLING manages a series of proprietary growth portfolios (a.k.a. “PER STIRLING Model Portfolios”). These accounts are managed by PER STIRLING’s two directors and are made available to clients of PER STIRLING. These portfolios are described below:

PER STIRLING Core Growth Portfolio

PER STIRLING Growth Portfolio

PER STIRLING Conservative Growth Portfolio

The “Core Growth” and “Conservative Growth” portfolios employ a primarily dynamic, asset allocation-based approach to portfolio management that seeks to maintain an optimal allocation between asset classes (stocks, bonds, real estate, cash, etc.). Fundamental and statistical analysis, along with economic research, are at the core of the decision-making process in these portfolios.

The “Growth” portfolio is a primarily tactical, “best ideas” portfolio, where allocations are concentrated in the specific sectors, asset classes, and geographic regions (parts of the world) that PER STIRLING’S management team believes offer the most compelling investment opportunities. Fundamental and technical analysis is emphasized in the management of this portfolio.

TYPES OF MARKET ANALYSIS

Fundamental analysis is based upon fundamental news such as market valuations, earnings growth rates, economic data, currency trends, the interest rate outlook, and the prospects for fiscal and monetary policy.

Technical analysis is based on mathematical models and chart patterns. It is intended to provide insight into a market’s internal condition by gauging factors such as investor sentiment, price momentum, and technical valuation.

Statistical analysis and back-testing helps the management team to anticipate how various portfolio allocations might perform based upon historical relationships and statistical factors such as absolute volatility, relative volatility, risk-adjusted return, and price correlation.

These portfolios operate as “model portfolios”. This means that all clients who adopt one of these strategies will experience virtually the same experience and returns as all other clients in the same portfolio strategy.

It is noteworthy that the firm’s directors and portfolio managers maintain a significant majority of their liquid net worth in these PER STIRLING Model Portfolios. At the same time, it should be noted that there is a potential conflict of interest in recommending these portfolios, as clients who invest in these portfolios are often generate more revenue for the firm than those who do not.

Detailed information on each of these portfolios is available upon request, and is accessible on our web site at <https://perstirling.com/what-we-do/portfolio-management>.

Assets are invested primarily in no-load mutual funds and exchange-traded funds, usually through brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Brokerages often charge a transaction fee for the purchase of some funds. Initial public offerings (IPOs) are not available directly through PER STIRLING.

Most clients choose to have PER STIRLING manage their assets in order to obtain ongoing investment advice and continuous investment management which requires an Investment Management Agreement, which provides the scope of work and fee to the client.

As of December 31, 2020, PER STIRLING managed approximately \$1,176,804,517 in assets. All of the firm's assets under management are managed on a discretionary basis.

Financial Planning Services

We believe that there are normally significant benefits to a client working with a financial advisor to craft a financial program, and thus encourage our clients to discuss the potential benefits of designing a financial plan with their Investment Advisor Representative (i.e., the client's personal financial advisor).

We offer financial planning services that can address everything from your current financial situation to your long-term financial goals and objectives. Financial plans can be either comprehensive or issue-specific. A financial plan can include, but is not limited to, areas of:

- Investment management
- Retirement planning
- Estate planning
- Insurance planning
- Tax planning
- Asset protection strategies
- College funding strategies

CONSULTING SERVICES

In addition to a financial plan or on-going financial planning services, PER STIRLING also provides consulting services for clients who need advice on a limited scope of work. Together with the Investment Advisor Representative (IAR), it is determined how much time is required to complete the requested consultations and also decide whether the services are billed on an hourly or fixed-fee basis. Fees for consulting services are negotiable based upon the complexity of your situation and the actual services requested.

Clients can also receive professional advice on a more limited basis. This may include advice only on isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We provide specific consultation services regarding client's current or projected financial position or other investment and financial concerns that client may have. Recommendations may be of a generic nature or tailored to specific securities, as outlined in the agreement signed by the client prior to accepting the consulting engagement.

PER STIRLING will also provide consulting services towards clients initiating 1031 exchanges of real property and seeking advice towards re-investment of assets received from the exchange. PER STIRLING will provide recommendations regarding the reinvestment of assets into Delaware Statutory Trusts (DST) or any real property instrument. Although PER STIRLING may assist clients with the preparation of direct application purchase, our firm does not facilitate the exchange or purchase of such properties or any investment. Clients may choose to accept our recommendations or may choose not to accept the recommendations made by PER STIRLING IARs.

Some IARs of PER STIRLING participate in the process of Collaborative Divorce with their clients. In order to engage in these services with their clients, a Collaborative Divorce Supplemental Participation Agreement must be signed between the advisor and their client(s) that outlines the advisor's participation in the process of Collaborative Divorce. This document includes, but is not limited to, how the advisor will interact with their counsel, our communication policies, confidentiality of information, and any conflicts of interest that may be present. The clients must also complete the Collaborative Divorce Engagement Agreement, which relates specifically to the advisor's services and their specific arrangement with the clients. This document includes, but is not limited to, the services the advisor offers, the rate at which they will bill, and how those fees should be paid.

Please note that none of the aforementioned services include legal or tax advice. You are urged to work closely with your attorney, accountant or other professionals regarding your financial and personal situation.

Tailored Relationships

The goals and objectives for each client are documented in the firm's new client documentation. Clients in custom-designed accounts may impose restrictions on investing in certain securities or types of securities. Any such restrictions must be agreed to in writing by both the client and the IAR. Clients who are invested in any of PER STIRLING'S three Model Portfolios (noted above) may not impose such restrictions due to the fact that all clients in each respective program must have virtually identical allocations.

Item 5. Fees and Compensation

Description

For clients receiving only investment management services, the annual Investment Management Agreement fee is based on a percentage of the investable assets under management or a flat fee. The management fee is a function of two components. The first is the advisor fee, which is determined between the client and the IAR. These advisor fees, which are not to exceed 2.0% of assets under management per annum, may be negotiable under certain circumstances.

For PER STIRLING clients who elect to participate in PER STIRLING'S Model Portfolios, there is an additional management fee of 20 basis points per annum (0.20%). This fee may be negotiable at the discretion of PER STIRLING'S executive management team.

Client relationships may exist where the fees are higher or lower than those noted above due to a flat fee arrangement for investment management services. Clients in custom-designed

accounts may pay higher or lower fees than clients participating in PER STIRLING'S Model Portfolios depending primarily on the investment objectives of the client and the amount of assets under management.

PER STIRLING, in its sole discretion, may waive its minimum fee for the PER STIRLING Model Portfolios and/or charge a lesser investment advisory fee based upon certain criteria (i.e., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Typically, investment management fees will be debited from or billed to each account at the beginning of each quarter based on the value of the account as of the end of the prior quarter. The following formula will be used to determine the fee amounts to be assessed.

$$(\text{Account Value} \times \text{Management Fee}) \times (\# \text{ of days in the Quarter}/365)$$

Example:

The quarterly assessment (for a 91-day quarter) on a \$100,000 portfolio with a 150-basis point (1.50%) annual management fee would be \$373.97 as shown:

$$(100,000 \times .015) \times (91/365) = \$373.97$$

Fees are payable in advance on the first day of the quarter and delinquent after the 15th day of the quarter. Any account in which fees are delinquent for more than 15 days is subject to termination of services hereunder, and any fees earned by the Advisor but unpaid by the Client will accrue at an interest rate equivalent to the prevailing Prime Rate as published by the Wall Street Journal plus 3%. Clients whose services have been terminated will be notified in writing either by mail to the last known address or email if client has consented to electronic delivery. The firm will not automatically change an investment position in the event of termination of services regardless of the type of account.

Prorating for New Client Assets is calculated by the following formula:

$$\text{Quarterly Calculation} \times \{\text{Days Remaining in Quarter}/\text{Total \# of Days in Quarter}\}.$$

Prorating for Terminating Accounts is calculated by the following formula:

$$\text{Most Recent Quarterly Fee Assessment} \times \{\text{Days Remaining in Quarter}/\text{Total Number of Days in Quarter}\}.$$

In certain instances, where clients request services outside of PER STIRLING'S core investment management services, hourly charges or fixed fees may apply. Any such hourly charges or fixed fees would be specified in advance through separate agreements and are priced based on the complexity of work, especially when asset management is not the most significant part of the relationship.

In certain instances, fees may be negotiable.

Although the Investment Management Agreement is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client may terminate an Agreement by written notice to the Advisor. At termination of the

Investment Management Agreement, unearned management fees exceeding \$25.00 will be refunded to the client on a pro rata basis according to the formula for terminating accounts noted above.

Fee Billing

Investment management fees are billed quarterly, in advance, meaning that we invoice you, or debit your account, at the beginning of the three-month billing period. Fees are usually deducted from a designated client account to facilitate billing, or payment in full is expected upon an invoice presentation. The client must consent in advance to direct debiting of their investment account. This is further explained and documented in the Investment Management Agreement.

Financial Planning Fees

Fees for financial planning services are negotiable based on the complexity of your financial situation, the actual services requested and the advisor providing the services.

If a fixed fee is selected for services, a deposit may be due upon presentation of initial invoice to Client. Any remaining portion will be due upon presentation of additional invoice to Client. Fixed-fee Services terminate upon presentation of the financial plan or completion of the requested services. If Client requires services after a one-year period, a new agreement will be required.

Fees for financial planning services may also be charged on an hourly-fee basis. If the actual hours needed to complete the plan are more than the estimate given, the advisor will contact the client before proceeding with additional work beyond the estimate. The client will be charged for the actual time expended on preparation of the plan. Any unpaid hourly fees will be due immediately from the client upon presentation of invoice.

PER STIRLING also provides hourly consulting services for clients who need advice on a limited scope of work. The hourly rate for limited scope engagements will range from \$200 to \$600, depending on the expertise of the advisor and the services provided. This hourly charged rate is entered into using a Financial Planning Agreement and is negotiable.

Consulting services for 1031 Exchange recommendations are billed on a fixed fee not to exceed 6.5% of the assets included in the recommendations of the 1031 assessment. Clients sign written agreements with their qualified intermediaries which provide that PER STIRLING fees are billed to the qualified intermediary, chosen by the client, and the qualified intermediary pays the fee to PER STIRLING. PER STIRLING provides an invoice to each client and their qualified intermediary.

Other Fees

In addition to investment management fees, the client approves the custodian to be used for investment management accounts. Custodians will charge transaction fees on purchases or sales of certain investments. If applicable to your account, you will also pay for other fees including account maintenance fees such as custody, trade confirmation processing, corporate actions, and transfer fees; cash management fees such as cash sweeps, checking and wire fees; and investment specific fees for the administration of alternative investments or foreign securities. Although cost is an important factor that is considered when making a

recommendation, it is not the only consideration and therefore recommendations are not always the lowest cost option available. As fees and costs affect the value of your account over time, please ask your personal financial advisor to give you personalized information on the fees and costs that you will pay. PER STIRLING does not receive any portion of the fees or costs paid by the client to the custodian.

Past Due Accounts and Termination of Agreement

PER STIRLING reserves the right to stop work on any account that is more than 15 days overdue. PER STIRLING also reserves the right to stop work on any account for reasons such as inability to reach client over an extended period of time or any reason which impairs PER STIRLING'S ability to appropriately advise the client.

Clients whose services have been terminated will be notified in writing either by mail to the last known address or email if Client has consented to electronic delivery. Upon termination, if fees are due to client, any prepaid and unearned fees exceeding \$25.00 will be refunded to client on a prorated basis.

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

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

PER STIRLING does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the advisor to recommend an investment that may carry a higher degree of risk to the client.

Item 7. Types of Clients

Description

PER STIRLING provides investment management services to clients including individuals, corporations or other business entities, trusts, estates, and charitable organizations. As some investment services are being provided through sub-advisory and private labeling agreements, the investment advisor may or may not be registered through PER STIRLING. While not its core market, PER STIRLING may also provide services to banks or thrift institutions, investment companies, and pension and profit-sharing plans.

Client relationships vary in scope and length of service.

Asset Minimums

The minimum investable assets required for investment management services is \$250,000 of assets under management per "household", however, this minimum may be waived based upon certain criteria.

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

Methods of Analysis

Security analysis methods may include charting, fundamental analysis, technical analysis, cyclical analysis, statistical analysis and back-testing.

The main sources of fundamental information include financial newspapers and magazines, CNBC, Bloomberg TV, inspections of corporate activities, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that PER STIRLING may use include, as examples, are the Morningstar Workstation, Investools, and the internet.

Investment Strategies

PER STIRLING manages portfolios across an array of objectives and strategies. Objectives for portfolios range from capital preservation and current income to long-term growth and tactical sector allocation. PER STIRLING'S assets under management are in custom-designed portfolios in addition to the firm's three growth strategies that are being offered as "PER STIRLING Model Portfolios".

The one characteristic that is common to each of the PER STIRLING Model Portfolios is management's goal of creating "excess alpha". In plain English, this means that management attempts to produce high risk-adjusted returns. We describe it as "producing a level of long-term returns that is higher than would reasonable be expected in light of the amount of risk in the portfolio".

We endeavor to produce alpha for our clients on two fronts. The first is through our proprietary macroeconomic and technical analysis. Through this process we endeavor to determine the optimal asset mix and sector/geographic weightings for each of our strategies. The second front is our tactical securities selection process through which we identify opportunities that we believe should provide risk-adjusted returns in the anticipated environment.

The past successes of the PER STIRLING portfolio management team are not necessarily indicative of future results, and there is no guarantee that PER STIRLING will be successful in its efforts to produce "excess alpha".

The investment strategy for a specific client is based upon the objectives stated by the client. The client may change these objectives at any time. It is the responsibility of the client to discuss any such changes with their personal financial advisor.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Risks that investors face include, but are not limited to:

- **Interest-Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will buy more than will a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk to profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 9. Disciplinary Information

Legal and Disciplinary

As of the date of this brochure, the firm has not been involved in legal or disciplinary events related to past or present investment clients. If, in the future, an advisor joins the firm who has a legal or disciplinary event in their history, or if a current advisor is, in the future, the subject of a legal or disciplinary event, the details of such an event will be disclosed in that advisor's Form ADV Part 2B, which will be provided to all current and prospective future clients of that advisor.

Item 10. Other Financial Industry Activities and Affiliations

Financial Industry Activities

PER STIRLING is not registered as a securities broker-dealer, a futures commission merchant, commodity pool operator or commodity trading advisor.

Affiliations

Some IARs of PER STIRLING are also Registered Representatives (brokers), licensed to sell securities through B.B. Graham & Company, a registered broker-dealer and member of FINRA/SIPC, and may also be licensed to sell insurance products through various insurance companies. Differing scales and terms of compensation between investment advisor and broker-dealer platforms create a potential conflict of interest in recommending one platform in lieu of another.

Aside from the above, PER STIRLING has no affiliation relationships or arrangements that are material to its advisory business or its clients.

PER STIRLING does not receive commissions or other transaction-related compensation on any account managed by PER STIRLING.

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

Code of Ethics

The employees of PER STIRLING have committed to a Code of Ethics that is available for review upon request.

In summary, the Code of Ethics is based on the principle that PER STIRLING and each of its employees owe a fiduciary duty to its clients and a duty to comply with federal and state securities laws and all other applicable laws. In recognition of this fact, PER STIRLING requires that all IARs must place the interest of the clients first, and conduct themselves honestly and professionally. Representatives have a duty to take appropriate action if any illegal or unethical activity comes to their attention. Representatives must refrain from actions or activities that allow a person to profit or benefit from his or her position with respect to a client, or that otherwise bring into question the Representative's independence or judgment. This includes the obligation of Representatives to conduct their personal securities transactions in a manner that does not interfere with the transactions of any client or otherwise to take unfair advantage of their relationship with clients.

Fiduciary Acknowledgement

PER STIRLING acts as a fiduciary, and is committed to always act in what it perceives to be in the best interest of its clients.

When providing investment advisory services to retirement plans covered under the Employee Retirement Income Security Act ("ERISA"), we acknowledge our status as a "fiduciary" under Section 3(21) with respect to the investment-related services described in our Investment Management Agreement and Retirement Plan Advisory Agreement Supplement. We may also exercise discretion over select plan investments and serve as an

“investment manager” as defined under ERISA Section 3(38). As a fiduciary under ERISA, we will act solely in the interests of plan participants and beneficiaries with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances.

Personal Trading

PER STIRLING IARs may buy or sell securities that are also held by clients. When trading for personal accounts, IARs may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its clients can potentially be violated if personal trades are made with more advantageous terms than client trades, and in turn, such trades are usually aggregated or will not be placed ahead of client trades.

For information regarding aggregated trades, please see the following section, “Order Aggregation.”

This risk is mitigated by personal trades being reviewed by John Per O’Sullivan and Amber Bell. The personal trading reviews ensure that the personal trading activities do not adversely affect clients of PER STIRLING or the general market by trading being based on material non-public information.

Item 12. Brokerage Practices

Selecting Brokerage Firms

With the exception of the above-noted B.B. Graham & Company affiliation, PER STIRLING does not have any affiliation with product sales firms. Specific custodian recommendations are made to clients based on their need for such services. PER STIRLING recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable rates.

PER STIRLING currently utilizes Fidelity Investments, Charles Schwab, TD Ameritrade, and Interactive Brokers as qualified custodians of the firm.

The client ultimately decides which brokerage firm is selected as the custodian firm. However, certain services, such as PER STIRLING’S Model Portfolio programs may not be available through all brokerage platforms.

Best Execution

PER STIRLING reviews the execution of trades at each custodian on an ongoing basis. Trading fees charged by the custodians is also reviewed on an ongoing basis. PER STIRLING does not receive any portion of the trading fees.

Soft Dollars

Investment Advisors may direct portfolio brokerage discounts to a particular broker/dealer in return for services and research used in making investment decisions in client accounts. The discounts used to acquire these services and research, are known as “soft dollars.” Section 28(e) of the Securities Exchange Act of 1934 provides a “safe harbor” that allows an investment advisor to pay more than the lowest available commission for brokerage and research services if it determines in good faith that the commission paid was reasonable in relation to the brokerage and research services provided.

Although PER STIRLING does not allow directed brokerage, we may still receive products and services from other program sponsors and product issuers. These products and services may be used for both research and non-research purposes and allows us to supplement, at no cost, or a discounted cost, our own research and analysis activities. These products and services can include, but are not limited to:

- Reports, publications and data on matters such as the economy, industries, sectors and individual companies or issuers, statistical information, account and law interpretations, political analyses, legal developments affecting portfolio securities, technical market actions, credit analyses, risk management and analyses of corporate responsibility issues.
- On-line news services and financial and market database services.
- Information management systems integrating quotation and trading, performance management accounting, recordkeeping and document retrieval and other administrative matters.
- Technology to help us organize, document and calculate the trades necessary to implement investment decisions.
- Meetings, seminars, workshops and conferences with Investment Advisor Representatives of issuers, program sponsors and/or other analysts and specialists.

Research obtained with soft dollars is not necessarily utilized for the specific account that generated the soft dollars. We do not attempt to allocate the relative costs or benefits of research among clients because we believe that, in the aggregate, the research we receive benefits all clients and assists us in fulfilling our overall duty to clients.

These arrangements may be deemed to create a conflict of interest to the extent that we would have to pay for some or all of the research and/or services with “hard dollars” if we were unable to obtain the research and services in exchange for discounts in connection with client transactions. Client trades are implemented based on the goals and objectives of the client and not on any research, products or other incentives available.

Additionally, we may receive marketing/servicing reimbursements from program sponsors and product issuers. The receipt of these reimbursements may be deemed to create a conflict of interest in that it creates a financial incentive for us to recommend these program sponsors and product issuers over others (such as where they are less expensive or have better performance) since these are expenses that we would otherwise be responsible for.

Order Aggregation

Block Trading is the process of adding together trade orders to purchase and sell the same security as one large order. PER STIRLING may aggregate orders in a block trade or trades when securities are purchased or sold through the same custodian for multiple accounts in the same trading day so that they can be executed at the same time for administrative convenience and to achieve lower overall execution costs typically associated with larger orders.

Item 13. Review of Accounts

Periodic Reviews

All accounts are reviewed at the firm-level on a regular and continuous basis by John Per O'Sullivan and Amber Bell. Formal firm-level reviews are performed at least annually and can be more frequently when market conditions dictate. In addition, custom-designed portfolio accounts are monitored on an ongoing basis by each IAR and the firm-sponsored portfolios described on pages six and seven of this brochure are reviewed frequently by the portfolio managers, John Per O'Sullivan and Robert Stirling Phipps, III.

Review Triggers

Other conditions may trigger a review, including changes in the tax laws, new investment information, and changes in a client's own situation.

Regular Reports

PER STIRLING can provide quarterly reports to advisory households reflecting a current market appraisal of the client's account as well as year-to-date, one-year, three-year, five-year and lifetime returns (when available). The statements detail the client's beginning and ending balances and any withdrawals or deposits during the period. PER STIRLING provides these reports for illustrative purposes only.

As a client, you should ultimately rely upon the statements provided by the custodian (where your assets are actually held), and use those statements to verify the information provided to you in the reports generated by PER STIRLING.

Additionally, the firm provides, on a monthly basis and at no additional cost, an investment writing entitled the *Per Stirling Capital Outlook*, which discusses current investment markets and offers PER STIRLING'S global capital markets and economic outlook.

The firm also produces "portfolio profiles" that detail the objectives, historical returns and important statistical information on the firm-sponsored model portfolios described on pages six and seven of this brochure.

Item 14. Client Referrals and Other Compensation

Incoming Referrals

PER STIRLING has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

For information regarding our solicitors, please see the following section, "Solicitors Arrangement".

Referrals Out

PER STIRLING does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them without being specifically registered as a solicitor for that firm.

For information regarding our solicitors, please see the following section, “Solicitors Arrangement”.

Solicitors Arrangement

PER STIRLING does utilize the services of solicitors who are paid a percentage of advisory fees as compensation for introducing clients to the firm. Any such fee-sharing arrangements are fully disclosed to the client. The role of a solicitor is different from that of an IAR and does not include providing investment and/or financial planning advice to clients. A solicitor can also be a Registered Representative of an affiliated broker-dealer firm, but this does not mean or imply that said solicitor is an IAR of PER STIRLING.

PER STIRLING or its advisors may also solicit clients for other third-party money managers. In these instances, clients will be required to complete the money manager’s required documentation and receive the money manager’s disclosure documents in addition to PER STIRLING’S required documents. In addition to these documents, the IAR must provide the client with a Solicitation Disclosure Statement disclosing all parties that will receive a portion of the overall fee that will be charged to the client. We enter into only a select number of relationships with third-party money managers that have agreed to pay us a portion of the fee charged to our clients. Therefore, PER STIRLING has a conflict of interest in that it will only recommend third-party managers that will agree to compensate us for this solicitor arrangement.

Item 15. Custody

Custody

PER STIRLING is deemed to have limited custody of client funds or securities when clients consent in advance to the direct debiting of their advisory fees from their account(s). PER STIRLING is also deemed to have custody of client funds or securities if it has the authority to withdraw client assets maintained with a qualified custodian upon the advisor’s instruction to the custodian when clients have utilized a standing letter of instruction or other similar asset transfer authorization arrangement (“SLOA”) established by the client and the qualified custodian. The SEC has set forth a set of standards intended to protect client assets in such situations, which we follow.

Account Statements and Performance Reports

All assets are held at qualified custodians, which means the custodians also provide account statements directly to clients at their address of record at least quarterly. Clients who do not receive a statement from their qualified custodian at least quarterly should notify PER STIRLING.

Clients are urged to compare the account statements received directly from their custodians to the report statements provided by PER STIRLING. PER STIRLING provides these reports for illustrative purposes only.

As a client, you should ultimately rely upon the statements provided by the custodian (where your assets are actually held), and use those statements to verify the information provided to you in the reports generated by PER STIRLING.

Item 16. Investment Discretion

Discretionary Authority for Trading

PER STIRLING accepts discretionary authority to manage securities accounts on behalf of clients. PER STIRLING has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold.

The client approves the custodian to be used. PER STIRLING does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Discretionary trading authority facilitates placing trades in a client's accounts on their behalf so that we may promptly implement the client's investment objectives.

An Investment Management Agreement provides the trading authorization for this purpose. You sign an Investment Management Agreement so that we may execute trades in pursuit of the objectives that you have approved. The client always maintains asset control. PER STIRLING places trades for clients in accordance with its Investment Management Agreement.

Item 17. Voting Client Securities

Proxy Votes

PER STIRLING does not vote proxies on securities. Clients are expected to vote their own proxies. You will receive proxies directly from the custodian firm (where your account is actually held).

When assistance on voting proxies is requested, PER STIRLING will provide recommendations to the client. If a conflict of interest exists, it will be disclosed to the client.

Item 18. Financial Information

Financial Condition

PER STIRLING does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because PER STIRLING does not serve as a custodian for client funds or securities due to taking the required steps to be in compliance with the Custody Rule criteria as outlined in the Securities and Exchange Commission's ("SEC") No-Action Letter, and does not require prepayment of fees of more than \$1,200 per client, more than six months in advance.

Business Continuity Plan

PER STIRLING has a detailed plan directing the steps our firm will take in response to unforeseeable disasters such as a fire, a natural disaster, or the loss of technical systems. If

you would like a copy of the detailed plan, please contact us via email at info@perstirling.com or call us directly at (512) 628-2300 to request a copy.

Privacy Notice

PER STIRLING is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us. In November of 1999, Congress enacted the Gramm-Leach-Bliley Act (“GLBA”). The GLBA requires certain financial institutions, including broker-dealers and investment advisors, to protect the privacy of Customer Information. To the extent a financial institution discloses Customer Information to non-affiliated third parties, other than as permitted or required by law, customers must be given the opportunity and means to opt out (or prevent) such disclosure. Please note that PER STIRLING does not disclose Customer Information to non-affiliated third parties except as permitted or required by law (i.e., disclosures to service a client’s account or to respond to subpoenas).

The categories of nonpublic information that we collect from you are in connection with establishing your account and providing investment advisory services. This Information will generally be derived from information we receive from you on the New Client Application or other forms, and information about your securities transactions with us or other advisors and broker-dealers, which may be providing financial services to you. This information may include information about your personal finances, information about your health to the extent that it is needed for the goal-setting process, information about transactions between you and third parties, and information from consumer reporting agencies (i.e., credit reports). We use this information to help you meet your personal financial goals.

We restrict access to your personal and account information to our personnel, entities directly affiliated with or controlled by PER STIRLING, and third-party service providers on a “need to know” basis in order to provide products or services to you. We share a limited amount of information about you with your custodial brokerage firm in order to execute securities transactions on your behalf.

We maintain physical, electronic, and procedural safeguards to guard your Non-Public Personal Financial Information and ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators review our firm records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

Information about how PER STIRLING collects, uses, stores, shares and protects your information in connection with services offered by PER STIRLING as a data controller

and/or processor including, but not limited to, services provided at or using the domain www.perstirling.com or tools or applications including, but not limited to, mobile and other software applications is accessible on our web site at <https://perstirling.com/disclosures>.

We will notify you of any changes affecting our privacy policy as applicable. We are required by law to deliver our *Privacy Notice* to you at the beginning of your business relationship with PER STIRLING, and annually, in writing, thereafter.