

## Item 1: Cover Page

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# **Members Advisory Group, LLC**

## **Form ADV Part 2A**

### **Investment Adviser Brochure**

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March 2021

This Brochure provides information about the qualifications and business practices of Members Advisory Group, LLC (“we”, “us”, “our”). If you have any questions about the contents of this Brochure, please contact Jeffrey A. Cashmore, Managing Director and Chief Compliance Officer at (716) 632-4066 or [jcashmore@membersadvgrp.com](mailto:jcashmore@membersadvgrp.com).

Additional information about our Firm is also available on the SEC’s website at <https://adviserinfo.sec.gov/Firm/153723>. 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.

We are a registered investment adviser. Please note that use of the term “registered investment advisor” and a description of the Firm and/or our employees as “registered” does not imply a certain level of skill or training. For more information on the qualifications of the Firm and our employees who advise you, we encourage you to review this Brochure and the Brochure Supplement(s).

## Item 2: Summary of Material Changes

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### **Annual Update**

In this Item of Members Advisory Group's (or the Firm) Form ADV 2, the Firm is required to discuss any material changes that have been made to Form ADV since the last Annual Amendment, dated March 30, 2020.

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

Since the last Annual Amendment filing, the Firm has no material changes to report.

### **Full Brochure Available**

Our Form ADV may be requested at any time, without charge by contacting Jeffrey A. Cashmore, Managing Director and Chief Compliance Officer at (716) 632-4066 or [jcashmore@membersadvgrp.com](mailto:jcashmore@membersadvgrp.com).

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## Item 4: Advisory Business

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### **Description of Firm and Types of Advisory Services**

Members Advisory Group, LLC is a registered investment advisor based in Williamsville, NY. We are organized as a Limited Liability Company (LLC) under the laws of the State of New York. We have been providing investment advisory services since October 2012. We are primarily owned by Jeffrey A. Cashmore.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to Members Advisory Group, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our Firm.

### **Wealth Management Services**

We offer wealth management services, which consists of ongoing financial planning services and discretionary investment management. Our investment advice is tailored to meet our clients' needs and investment objectives. We will meet with you to determine your investment objectives, risk tolerance, and other relevant information (the "investment parameters") at the beginning of our advisory relationship. We will use the investment parameters we gather to develop a strategy that enables our Firm to give you investment recommendations consistent with your financial goals.

We primarily offer advice on equity securities, corporate, municipal and government debt securities, mutual funds, and exchange traded funds.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

We provide portfolio management services where the investment advice provided is custom tailored to meet your investment needs and objectives. We manage accounts on a discretionary basis. If you participate in our discretionary portfolio management services, we require you to grant our Firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our Firm and the appropriate trading authorization forms. You may limit our discretionary authority by providing our Firm with your restrictions and guidelines in writing.

We may also offer non-discretionary portfolio management services. If you enter into non-discretionary arrangements with our Firm, we must obtain your approval prior to executing any transactions on behalf of your account. You have an unrestricted right to decline to implement

any advice provided by our Firm on a non-discretionary basis.

### **Tailored Relationships**

We tailor investment advisory services to the individual needs of the client. Our clients are allowed to impose restrictions on the investments in their account. All limitations and restrictions placed on accounts must be presented to us in writing. Clients will retain individual ownership of all securities.

### **Fiduciary Statement**

Members Advisory Group, LLC and our employees are fiduciaries who must take into consideration the best interests of our clients. We will act with competence, dignity, integrity, and in an ethical manner, when dealing with clients. We will use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, trading, promoting our services, and engaging in other professional activities.

As a fiduciary, we have the obligation to deal fairly with our clients. We have the following responsibilities when working with a client:

- To render impartial advice;
- To exercise a high degree of care and diligence to ensure that information is presented in an accurate manner and not in a way to mislead;
- To have reasonable basis, information, and understanding of the facts in order to provide appropriate recommendations and representations;
- Disclose any material conflict of interest in writing; and
- Treat clients fairly and equitably.

### **Wrap Fee Program(s)**

We no longer offer the wrap fee program to new participants. However, we continue to manage the portfolios of those legacy clients who were in our wrap fee program and, therefore, we are technically still a portfolio manager to, and sponsor of, that wrap fee program. We manage wrap fee accounts in the same manner as we manage other accounts that aren't wrapped.

We receive a portion of the wrap fee for our services. The overall cost incurred through participation in our wrap fee program may be higher or lower than might be incurred by separately purchasing the types of securities available in the program.

### **Assets Under Management**

As of January 26, 2021, Members Advisory Group, LLC managed \$287,662,731 in client assets; \$283,310,920 was managed on a discretionary basis and \$4,351,811, was managed on a non-discretionary basis.

## Item 5: Fees and Compensation

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### **Compensation - Wealth Management Services**

Our fee for portfolio management services is based on a percentage of your assets we manage and is set forth in the following fee schedule:

### **Annual Fee Schedule**

<b>Assets Under Management</b>	<b>Annual Fee</b>
\$0 to \$999,999	0.75%
\$1,000,000+	0.65%

Our annual fee for the wealth management services is billed quarterly in advance based on the market value of your managed assets on the last day of the preceding quarter. Our fees will be assessed pro rata in the event the portfolio management agreement is executed at any time other than the first day of a billing period. At our sole discretion, the fee may be negotiable.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our Firm written authorization permitting the fees to be paid directly from your account.

You may terminate the wealth management agreement upon written notice to our Firm. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Additional Fees and Expenses**

### **Compensation Insurance**

Persons providing investment advice on behalf of our Firm are licensed as independent insurance agents. You may work with your Investment Advisor Representative in his separate capacity as an insurance agent. When acting in his separate capacity as an insurance agent, the Investment Advisor Representative may sell, for commissions, life insurance, annuities, and other insurance products to you. As such, your Investment Advisor Representative, in his separate capacity as an insurance agent, may suggest that you implement recommendations by

purchasing life insurance, annuities, or our other insurance products. This receipt of commissions creates an incentive for the representative to recommend those products for which your Investment Advisor Representative will receive a commission in his or her separate capacity as an insurance agent. Consequently, the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your Investment Advisor Representative.

### **General Information on Compensation and Other Fees**

In certain circumstances, fees, account minimums and payment terms are negotiable depending on client's unique situation – such as the size of the aggregate related party portfolio size, family holdings, low cost basis securities, or certain passively advised investments and pre-existing relationships with clients. Certain clients may pay more or less than others depending on the amount of assets, type of portfolio, or the time involved, the degree of responsibility assumed, complexity of the engagement, special skills needed to solve problems, the application of experience and knowledge of the client's situation.

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and variable annuity sub-accounts to their shareholders. These fees and expenses are described in each fund's or sub account's prospectus. These fees will generally include a management fee, other expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge.

A client could invest in a mutual fund or sub-account directly, without the services of the Firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual funds or sub-accounts are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds/sub-accounts and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

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

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We do not accept performance-based fees or participate in side-by-side management.

Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.



## Item 7: Types of Clients

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### **Types of Clients**

We offer investment advisory services to individuals and high net worth individuals.

### **Account Minimums**

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your Account if it falls below a minimum size which, in our sole opinion, is too small to manage effectively.

We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum.

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

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### Methods of Analysis

We primarily use Fundamental analysis when formulating investment advice. Fundamental analysis is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial, and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong and could therefore lead to an unfavorable investment decision.

### Investment Strategies

We use the following investment strategies:

- Long term purchases - Investments held at least a year; and
- Short term purchases - Investments sold within a year.

### Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear.

**All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. Although we manage assets in a manner consistent with your investment objectives and risk tolerance, there can be no guarantee that our efforts will be successful. You should be prepared to bear the following risk of loss:**

- **Market Risk:** Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) Market Risk:** Common stocks are susceptible to general stock market

fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

- **Company Risk:** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- **Fixed Income Risk:** When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Options Risk:** Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put, and call options are highly specialized activities and entail greater than ordinary investment risks.
- **ETF and Mutual Fund Risk:** When our Firm invests in an ETF or mutual fund, it will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.
- **Management Risk:** Your investment with our Firm varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.
- **Pandemic Risk:** Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption.
- **Cybersecurity Risk:** A breach in cyber security refers to both intentional and unintentional events that may cause an account to lose proprietary information, suffer data corruption, or lose operational capacity. This in turn could cause an account to incur regulatory penalties, reputational damage, and additional compliance costs associated with corrective measures, and/or financial loss.

Material risks associated with the methods of analysis and investment strategies used include actual company specific or market events that may contradict assumptions at the time a security was chosen, and/or a security's actual performance that may not follow trends previously identified in the analysis conducted.

It is not possible to list all risks associated with each class of securities or assets or each market

sector. Clients should consult us for more information about specific risks that may be associated with our advisor's investment strategies.

## Item 9 Disciplinary Information

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In September 2012, Jeffrey A. Cashmore signed a Letter of Acceptance, Waiver and Consent to settle certain findings alleged by the Financial Industry Regulatory Authority (FINRA). FINRA is the self-regulatory organization for registered broker/dealers and was formerly known as the National Association of Securities Dealers (NASD).

FINRA alleged that Jeffrey A. Cashmore prepared and distributed sales literature to his clients and prospective clients consisting of Power Optimizer reports, Cash Flow Projections and Morningstar Reports for Class A mutual fund shares, but proposed Class C shares. A Fee and Asset Summary detailing the Class C share expenses was provided, however FINRA alleged that this report lacked sufficient information outlining such expenses. FINRA additionally alleged that the document provided oversimplified and incomplete information failing to provide a sound basis for evaluating the facts with respect to the information contained in the package. Finally, FINRA alleged that Jeffrey A. Cashmore failed to comply with FINRA recordkeeping requirements.

To conclude the matter, Jeffrey A. Cashmore neither confirmed nor denied the findings but accepted a one-month suspension from association with any FINRA member broker/dealer firm in any capacity and a \$5,000 fine of which he paid the entire portion.

There are no other disciplinary actions regarding the Firm or our employees to report.

## Item 10 Other Financial Industry Activities and Affiliations

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### **Financial Industry Activities**

We have not provided information on other financial industry activities and affiliations because we do not have any relationship or arrangement that is material to our advisory business or to our clients with broker-dealer, municipal securities dealer, or government securities dealer or broker, investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), other investment advisor or financial planner, futures commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, pension consultant, real estate broker or dealer, sponsor or syndicator of limited partnerships.

### **Insurance Agents**

Persons providing investment advice on behalf of our firm may be licensed as insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate from our advisory fees. See the *Fees and Compensation* section in this brochure for more information on the compensation received by insurance agents who are affiliated with our Firm. These rules may prohibit paying or receiving referral fees to or from investment advisers that are not members of the same organization.

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

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### **Code of Ethics**

Our employees must comply with a Code of Ethics and Statement for Insider Trading (the Code). The Code describes our high standard of business conduct, and fiduciary duty to its clients. The Code's key provisions include:

- Statement of General Principles
- Policy on and reporting of Personal Securities Transactions
- A prohibition on Insider Trading
- Restrictions on the acceptance of significant gifts
- Procedures to detect and deter misconduct and violations
- Requirement to maintain confidentiality of client information

Jeffrey A. Cashmore, Managing Director and Chief Compliance Officer reviews all employee trades each quarter. These reviews ensure that personal trading does not affect the markets, and that our clients receive preferential treatment.

Our employees must acknowledge the terms of the Code at least annually. Any individual not in compliance with the Code may be subject to termination.

Clients and prospective clients can obtain a copy of our Code by contacting Jeffrey A. Cashmore, Managing Director and Chief Compliance Officer at (716) 632-4066 or [jcashmore@membersadvgrp.com](mailto:jcashmore@membersadvgrp.com).

### **Participation or Interest in Client Transactions**

Neither our Firm nor any of our employees have any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **Personal Trading**

Our Firm and/or our employees with our Firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our Firm nor persons associated with our Firm shall have priority over your account in the purchase or sale of securities.

## Item 12 Brokerage Practices

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

We do not have any soft dollar arrangements.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Brokerage Recommendations**

We typically recommend the brokerage and custodial services of Charles Schwab & Co., Inc. (Schwab), registered broker/dealer, member FINRA/SIPC. Our recommendation takes into account a number of factors, some of which may include custodial fees charged by the broker/dealer for holding your securities, commission rates, quality of execution, and record keeping and reporting capabilities. When recommending a broker/dealer, we will attempt to minimize the total cost for all brokerage services paid by you. It may be the case that Schwab charges a higher fee for a particular type of service, such as commission rates, than can be obtained from another broker. You may utilize the broker-dealer of your choice and you have no obligation to purchase or sell securities through such broker as we recommend.

### **Directed Brokerage**

We routinely recommend that you direct our Firm to execute transactions through Schwab. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisors require their clients to direct brokerage.

In limited circumstances, and at our discretion, you may instruct our Firm to use one or more particular brokers for the transactions in your account. If you choose to direct our Firm to use a particular broker, you should understand that this might prevent our Firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our Firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

### **Other Economic Benefits**

We use Charles Schwab & Co.'s, Schwab Advisor Services ("Schwab"). While there is no relationship between the investment advice we provide and our use of Schwab, we receive certain economic benefits which would not be received if we did not use Schwab.

For example, Schwab makes available to us products and services that benefit us but may not



directly benefit our clients' accounts. Some of these other products and services assist us in managing and administering clients' accounts. These include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving Schwab participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts; access to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors.

Schwab also makes available to us other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, regulatory compliance, and marketing. In addition, Schwab may make available, arrange, and/or pay for these types of services rendered to us by independent third parties.

While as a fiduciary we are required to act in our clients' best interests, our recommendation that clients maintain their assets in accounts with Schwab may be based in part on the benefit to us of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage provided by Schwab. This may create a conflict of interest.

### **Block Trades**

Transactions for each client generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may, but are not obligated to, combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day.

## Item 13 Review of Accounts

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### **Review of Accounts**

Accounts are monitored continuously. Formal reviews may be conducted annually. Jeffrey A. Cashmore, Managing Director and Chief Compliance Officer and Scott M. Cashmore, Member will conduct all reviews. Any material change in your financial circumstances may trigger an additional review of your account. You are encouraged to notify us if such change occurs. We may perform additional reviews based on but are not limited to changes in economic conditions, changes in your financial situation or investment objectives, and your request for an additional review.

### **Statements and Reports**

During any month there is activity in a program account, you will receive a monthly account statement from Schwab showing account activity as well as positions held in your account(s) at month end. Additionally, you will receive a confirmation of each transaction that occurs within the account unless the transaction is the result of a systematic purchase, redemption, or exchange. All account data and statements are also available online through the account view portal through Schwab. In addition, we may provide newsletters covering general financial planning and investment topics.

## Item 14 Client Referrals and Other Compensation

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### **Compensation – Client Referrals**

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

### **Compensation – Other Economic Benefits**

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 they benefit us, and the related conflicts of interest are described above. The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## Item 15 Custody

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### **Custody – Fee Debiting**

The client agreement authorizes us to deduct advisory fees directly from the client's account at the custodian. We send the amount of the quarterly fee to the custodian. With the exception of the ability to debit client accounts for advisory fees, we do not and will not have custody of clients' funds or securities. Client assets shall be held in the custody of a bank, trust company or brokerage firm agreed upon by the client and us.

The custodian is advised in writing of the limitation of our access to the account. The custodian sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to us.

### **Custody – Account Statements**

As described above, clients receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Clients are urged to carefully review such statements and compare such official custodial records to the reports that we provide. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Custody – Third Party Money Transfers**

Clients may provide us with a standing letter of authorization (or similar asset transfer authorization) which allows us to disburse funds on behalf of clients to third parties. We ensure the following conditions are in place when deemed to have custody via third party money movement:

- The client provides a Written Authorization to the custodian that includes all appropriate information as to how the transfer should be directed;
- The Written Authorization includes instruction to direct transfers to the third party either on a specified schedule or from time to time;
- Appropriate verification is performed by the custodian, along with a transfer of funds notice to the client promptly after each transfer;
- The client may terminate or change the instruction to the custodian;
- We have no authority or ability to designate or change any information about the third party contained in the instruction;
- We maintain records showing that the third party is not a related party of the Firm or located at the same address as our Firm, LLC; and
- The custodian sends the client a written initial notice confirming the instruction and an annual written confirmation thereafter.

## Item 16 Investment Discretion

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Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement and the appropriate trading authorization forms.

You may grant our Firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security.

If you enter into non-discretionary arrangements with our Firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our Firm on a non-discretionary basis.

## Item 17 Voting Client Securities

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We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our Firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

### **Proxy Voting**

If requested, we may provide advice to clients regarding proxy votes. If any conflict of interest exists, we will disclose it to you. You may contact Jeffrey A. Cashmore, Managing Director and Chief Compliance Officer at (716) 632-4066 or [jcashmore@membersadvgrp.com](mailto:jcashmore@membersadvgrp.com) for information about proxy voting.

## Item 18 Financial Information

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### **Financial Condition**

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients and have not been the subject of a bankruptcy proceeding.

We do not require prepayment of fees of both a) more than \$1,200 per client, and b) more than six months in advance; and therefore, we are not required to provide a balance sheet to clients.

## Form ADV Part 2B – Investment Adviser Brochure Supplement

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# **Members Advisory Group, LLC**

## **Form ADV Part 2B**

### **Investment Adviser Brochure Supplement**

6750 Main Street  
Williamsville, NY 14221  
Phone: (716) 632-4066  
Fax: (716) 632-1119  
[www.membersadvgrp.com](http://www.membersadvgrp.com)

**Supervisor and Supervised Person: Jeffrey A. Cashmore**

**Supervisor of:**  
Scott M. Cashmore  
Cheryl L. Fluker

March 2021

This Brochure Supplement provides information about the Firm's ("we", "us", "our") employees that supplements our Brochure. You should have received a copy of that Brochure. Please contact Jeffrey A. Cashmore, Managing Director and Chief Compliance Officer at (716) 632-4066 or [jcashmore@membersadvgrp.com](mailto:jcashmore@membersadvgrp.com) if you did not receive our Brochure or if you have any questions about the contents of this Supplement.

Additional information about our employee(s) referenced above is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may search this site using a unique identifying number, known as a CRD number for each employee.



## Item 2: Educational Background and Business Experience

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### **Supervised Persons**

***Jeffrey A. Cashmore***

Born 1960

**CRD #: 1928725**

### **Business Background:**

Members Advisory Group, LLC

Managing Member, Chief Compliance Officer  
and Investment Advisor Representative

2010 to Present

Cashmore Advisory Group, LLC

Managing Member, Chief Compliance Officer  
and Investment Advisor Representative

2008 to 2012

Membersfirst Advantage, LLC

Managing Director

1997 to 2010

LPL Financial Corporation

Registered Representative

Investment Advisor Representative

1994 to 2012

### **Formal Education after High School:**

University at Buffalo

1986

Bachelor of Science in Accounting

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***Scott M. Cashmore***

Born 1982

**CRD #: 5013398**

### **Business Background:**

Members Advisory Group, LLC

Member and Investment Advisor Representative

2012 to Present

Registered Sales Assistant

2010 to 2012

Cashmore Advisory Group, LLC

Registered Sales Assistant

2010 to 2012

Administrative Associate

2008 to 2010

Membersfirst Advantage, LLC

Administrative Associate

2004 to 2010

LPL Financial Corporation

Registered Sales Assistant	2010 to 2012
Administrative Associate	2005 to 2010

**Formal Education after High School:**

University at Buffalo	2005
Bachelor of Science in Business Administration (Marketing)	

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***Cheryl L. Fluker***  
**CRD #: 1834777**

Born 1969

**Business Background:**

Members Advisory Group, LLC	2010 to Present
Client Relationship Manager	

Cashmore Advisory Group, LLC	
Registered Sales Assistant	2008 to 2012

Membersfirst Advantage, LLC	
Registered Sales Assistant	2002 to 2010
Administrative Associate	1997 to 2002

LPL Financial Corporation	
Registered Sales Assistant	2002 to 2012
Administrative Associate	1997 to 2002

**Erie Community College:**

Courses towards a Bachelor of Science in Business Administration

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### Item 3: Disciplinary Information

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In September 2012, Jeffrey A. Cashmore signed a Letter of Acceptance, Waiver and Consent to settle certain findings alleged by the Financial Industry Regulatory Authority (FINRA). FINRA is the self-regulatory organization for registered broker/dealers and was formerly known as the National Association of Securities Dealers (NASD).

FINRA alleged that Jeffrey A. Cashmore prepared and distributed sales literature to his clients and prospective clients consisting of Power Optimizer reports, Cash Flow Projections and Morningstar Reports for Class A mutual fund shares, but proposed Class C shares. A Fee and Asset Summary detailing the Class C share expenses was provided, however FINRA alleged that this report lacked sufficient information outlining such expenses. FINRA additionally alleged that the document provided oversimplified and incomplete information failing to provide a sound basis for evaluating the facts with respect to the information contained in the package.

Finally, FINRA alleged that Jeffrey A. Cashmore failed to comply with FINRA recordkeeping requirements.

To conclude the matter, Jeffrey A. Cashmore neither confirmed nor denied the findings but accepted a one-month suspension from association with any FINRA member broker/dealer firm in any capacity and a \$5,000 fine of which he paid the entire portion.

Scott M. Cashmore has no legal or disciplinary events to report.

## **Item 4: Other Business Activities**

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Jeffrey A. Cashmore is independently licensed to sell insurance products through various insurance companies. When acting in this capacity, Jeffrey A. Cashmore will receive commissions. The receipt of compensation may affect the judgment of our employees when recommending products to its clients. While Jeffrey A. Cashmore endeavors at all times to put the interest of his/her clients first as a part of the Firm's overall fiduciary duty to clients, clients should be aware that the receipt of commissions and additional compensation itself creates a conflict of interest. Clients are never obligated or required to purchase insurance products from or through Jeffrey A. Cashmore and may choose any independent insurance agent and insurance company to purchase insurance products. Regardless of the insurance agent selected, the insurance agent or agency will receive normal commissions from the sale.

Scott M. Cashmore is independently licensed to sell insurance products through various insurance companies. When acting in this capacity, Scott M. Cashmore will receive commissions. The receipt of compensation may affect the judgment of our employees when recommending products to its clients. While Scott M. Cashmore endeavors at all times to put the interest of his/her clients first as a part of the Firm's overall fiduciary duty to clients, clients should be aware that the receipt of commissions and additional compensation itself creates a conflict of interest. Clients are never obligated or required to purchase insurance products from or through Scott M. Cashmore and may choose any independent insurance agent and insurance company to purchase insurance products. Regardless of the insurance agent selected, the insurance agent or agency will receive normal commissions from the sale.

## **Item 5: Additional Compensation**

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In addition to the description of additional compensation provided in Item 4, certain product sponsors may provide Jeffrey A. Cashmore with other economic benefits as a result of Jeffrey A. Cashmore's recommendation or sale of the product sponsors' investments. The economic benefits received by Jeffrey A. Cashmore from the Firm and product sponsors can include but are not limited to, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, and tools to assist Jeffrey A. Cashmore in providing various services to clients. Although Members Advisory Group

endeavors at all times to put the interest of its clients ahead of its own or those of its officers, directors, or representatives, these arrangements present a conflict of interest that may affect the judgment of Jeffrey A. Cashmore.

In addition to the description of additional compensation provided in Item 4, certain product sponsors may provide Scott M. Cashmore with other economic benefits as a result of Scott M. Cashmore's recommendation or sale of the product sponsors' investments. The economic benefits received by Scott M. Cashmore from Members Advisory Group and product sponsors can include but are not limited to, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, and tools to assist Scott M. Cashmore in providing various services to clients. Although we endeavor at all times to put the interest of its clients ahead of its own or those of our officers, directors, or representatives, these arrangements present a conflict of interest that may affect recommendations of Scott M. Cashmore.

## **Item 6: Supervision**

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Jeffrey A. Cashmore is the Managing Director and Chief Compliance Officer of the Firm and ultimately responsible for supervising activities and services provided by the Firm. Investment accounts and investment programs are reviewed as frequently as weekly. Jeffrey A. Cashmore is responsible for monitoring investment accounts under his control, but actively seeks the assistance of other investment advisor representatives when needed. Investment accounts and the advice provided by Scott M. Cashmore and Cheryl L. Fluker are reviewed as frequently as weekly by Jeffrey A. Cashmore, Managing Director and Chief Compliance Officer at (716) 632-4066 or [jcashmore@membersadvgrp.com](mailto:jcashmore@membersadvgrp.com).