



GUARDSMAN
Private Capital Management

Firm Brochure
(Part 2A of Form ADV)

GUARDSMAN Private Capital Management, Inc.

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This brochure provides information about the qualifications and business practices of GUARDSMAN PRIVATE CAPITAL MANAGEMENT, INC. ("GUARDSMAN" or the "Firm"). If you have any questions about the contents of this brochure, please contact us at 941-349-9200 or by email at jeff@guardismanwms.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

GUARDSMAN is registered as an investment adviser with the SEC. Registration of an investment advisor does not imply any level of skill or training. You should not make a determination to hire or retain any adviser based solely on the fact that the adviser is registered.

Additional information about GUARDSMAN is available on the SEC's Web site at www.adviserinfo.sec.gov. The SEC's Web site also provides information about any persons affiliated with GUARDSMAN who are registered as investment adviser representatives of the Firm.

Item 2 - Material Changes

This Item 2 summarizes only the material changes that were made since the Brochure issued on March 25, 2020. It is not a summary of the Brochure in its entirety.

Following is a summary of the material changes to the Brochure:

1. We updated the assets under management figures in Item 4.
2. We updated Item 10B to identify Randall Arnaud as an investment adviser representative of GUARDSMAN and identify Mr. Arnaud's affiliation with Financial Services Network, Inc.
3. We updated Item 15 to explain that investment advisers that have the authority to deduct advisory fees directly from client accounts are deemed to have "custody" of client assets.

You may obtain a copy of our current Brochure any time by contacting our Firm's Chief Compliance Officer at the telephone number listed on the cover page of this Brochure.

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Item 4 - Advisory Business

A. Firm Description

GUARDSMAN PRIVATE CAPITAL MANAGEMENT, INC. (“GUARDSMAN”) was founded in 2014 and is organized as a corporation under the laws of the state of Florida. GUARDSMAN is based in Sarasota, Florida, and is 100% owned by Jeffrey McCurdy.

One or more investment advisory clients of GUARDSMAN previously received investment advisory services from Guardsman Wealth Management, Inc. (also 100% owned by Jeffrey McCurdy), which was founded in 2001 and was previously exempt as an investment adviser with the SEC and State of Florida. All investment advisory services of Guardsman Wealth Management, Inc. have been transferred to, and are now exclusively provided by, GUARDSMAN and such clients no longer receive any investment advisory services from Guardsman Wealth Management, Inc., which currently only provides, as described more fully under Item 10.C below, family office administration and real estate services and no longer acts as an investment adviser. Guardsman Wealth Management, Inc. currently provides such services to one or more clients of GUARDSMAN.

B. Types of Advisory Services

GUARDSMAN is a boutique investment advisory practice that provides highly customized investment management and certain family office services to a limited number of ultra-high net worth individuals and families, trusts, individual retirement accounts, estates, charitable organizations and private entities. Advice and services are provided through consultations with the client and may include: discretionary and non-discretionary portfolio management of marketable securities, portfolio construction, trading, tax-loss harvesting, due diligence on private equity investments, negotiation of investment terms, general strategic asset allocation, portfolio rebalancing, financial planning, estate and wealth transfer planning, investment manager due diligence and monitoring, financial reporting, and hedging strategies.

The President of GUARDSMAN is also actively engaged, in his personal capacity as well as through related entities, as manager and/or corporate officer of numerous family investment entities owned or controlled by advisory clients. We treat these services provided as activities of GUARDSMAN.

GUARDSMAN is strictly fee-only and does not receive commissions for purchasing or selling stocks, bonds, mutual funds, limited partnerships, annuities, insurance or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions or other transaction-based compensation in any form are accepted.

GUARDSMAN does not act as a physical custodian of client assets and the client always maintains asset control. All client assets are held by a “qualified custodian” as that

term is defined in the Advisers Act Rule 206(4)-2. GUARDSMAN places trades for clients under a limited power of attorney.

C. Tailored Relationships

GUARDSMAN tailors its advisory services to the individual needs of its clients. GUARDSMAN exercises full investment discretion over the accounts of certain clients. Clients may impose restrictions on GUARDSMAN's investment discretion. Some restrictions may include, but are not limited to, ESG considerations, fixed income securities, credit ratings, and taxable versus nontaxable characteristics. Such investment guidelines and restrictions must be provided to GUARDSMAN in writing. Such restrictions may adversely impact performance.

With regard to certain clients, GUARDSMAN will not have discretionary authority over the client's assets. GUARDSMAN will review the client's investments and will provide investment advice and make recommendations to the client whenever, in GUARDSMAN's judgment, developments so warrant; however, the implementation of all investment decisions will require the client's prior approval or instructions. Such clients remain solely responsible for all investment decisions made with respect to any such client's account.

As requested by client, GUARDSMAN provides services to its individual-clients that are akin to a "Family CFO" by which GUARDSMAN will assist its individual-clients with qualitative, non-financial services, including a discussion of estate planning. In this capacity, GUARDSMAN, through Jeffrey McCurdy, may serve as manager of a family company and operate the company or execute documents in accordance with an entity's operating agreement, clients' instructions, and pre-approval. GUARDSMAN does not provide legal advice. GUARDSMAN may consult or interact with third parties who perform components of traditional financial planning for GUARDSMAN's clients.

D. Assets Under Management

As of December 31, 2020, GUARDSMAN managed approximately \$141,380,700 in assets, approximately \$80,942,100 on a discretionary basis and \$60,438,600 on a non-discretionary basis. These are regulatory assets under management (i.e., those assets for which GUARDSMAN provides continuous and regular supervision or management services). Some clients, which may include family clients (unrelated to Jeffrey McCurdy) and one or more of their affiliated family investment entities, receive advisory services but not continuous and regular supervision or management services; therefore, any assets related to such advisory services are not calculated toward GUARDSMAN's regulatory assets under management.

Item 5 - Fees and Compensation

A. Description

GUARDSMAN does not have a standard fee schedule applicable to all clients. GUARDSMAN bases its fees on (i) a percentage of assets under management, (ii) hourly charges, or (iii) a fixed annual retainer.

Because of the custom nature of GUARDSMAN's services and the uniqueness of each client, fees are negotiable and GUARDSMAN may have different advisory and consulting fees for each client based upon the client's complexity and requirements. The type and amount of fees will be set forth in a written agreement with the client at the commencement of the advisory relationship.

Fees are subject to a \$25,000 per year minimum, which may be waived at the discretion of GUARDSMAN.

B. Fee Billing

Generally, investment advisory fees are billed quarterly, in arrears. In calculating the quarterly fee, the total value of the client's accounts will be determined as of the last business day of the preceding quarter.

For clients engaging GUARDSMAN for investment advisory services in the middle of the quarter, the fee for the partial quarter will be calculated on a pro-rata basis based upon the number of days remaining in the quarter from the date the advisory agreement is signed, and the quarter ending account value(s). That pro-rated amount is then added to the first full quarter's fees.

Should a client elect to terminate an investment advisory relationship within the first ninety (90) days, then no fees shall be owed to GUARDSMAN.

GUARDSMAN's general practice is to deduct fees directly from the client's account in accordance with the advisory agreement and client authorizations. In some cases GUARDSMAN will send an invoice to the client rather than deduct the fees directly from the client's accounts. The specific payment method will be set forth in a written agreement with the client at the commencement of the advisory relationship.

C. Other Fees

In addition to the advisory fees charged by GUARDSMAN, other fees may apply. Brokerage commissions, transaction fees, sales loads, sales charges, management fees, administrative fees, account maintenance fees, transfer taxes, wire transfer fees, electronic fund fees, and other fees may be charged by the broker or dealer selected for execution of the securities transactions in the advisory accounts, by the custodian, and/or by the distributor, issuer or fund issuing the securities purchased and sold within the advisory accounts. The client is solely responsible for paying all such charges. In addition, mutual funds and certain exchange-traded funds ("ETFs") pay management fees to their investment advisers, which reduce their respective assets. To the extent that the client's portfolio has investments in mutual funds or ETFs, the client may pay two levels of advisory fees for the management of their assets: one directly to GUARDSMAN, and the other indirectly to the managers of those mutual

funds and ETFs held in their portfolios. Neither GUARDSMAN nor any of its investment adviser representatives receives any portion of these other fees.

In addition to fees, clients may be responsible for certain agreed-upon expenses (such as travel expenses) incurred by GUARDSMAN on the client's behalf.

Item 6 - Performance-Based Fees

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 - Types of Clients

GUARDSMAN is a boutique investment advisory practice which provides highly customized investment management and family office services to a limited number of ultra-high net worth individuals and families, trusts, estates, charitable organizations and private investment entities.

The President of GUARDSMAN is also actively engaged, in his personal capacity as well as through related entities, as a manager and/or corporate officer of numerous family investment entities owned or controlled by advisory clients.

Although there is no account size minimum, fees are subject to a \$25,000 per year minimum, which may be waived at the discretion of GUARDSMAN.

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

A. Methods of Analysis

Security analysis methods primarily include fundamental analysis. Fundamental analysis is a method of attempting to measure a security's underlying value and potential for future growth (its intrinsic value) by examining economic, financial and other qualitative and quantitative factors directly related to the issuer/company as well as company-specific factors (like financial condition, management, and competition). Fundamental analysis has a number of risks: the analysis may be compromised by incorrect or stale data; the analysis method typically does not consider the influence of random events and acts of God; and, the market may fail to reach expectations of perceived value. We do not represent, warrant, or imply that any analysis method employed by us can or will successfully identify market tops or bottoms. No analysis method has been proven to insulate clients from losses due to market fluctuations, corrections or declines.

The main sources of information include online investment research sources, financial newspapers, trade and academic publications, books, magazines, 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.

B. Investment Strategies for Marketable Securities

Investment Philosophy. GUARDSMAN's investment philosophy is based on our belief that the vast majority of the variation in portfolio returns is due to asset class and risk factor exposure and that after fees, traditional active management typically reduces returns, especially on an after-tax basis. We believe that a low cost, diversified index-based portfolio that is intelligently designed and strategically "tilted" towards risk-based factors that have historically earned a performance premium will achieve the best after-tax, risk-adjusted performance over time. The concept of asset allocation, or spreading investments among a number of asset classes (e.g., stocks vs. bonds; domestic stocks vs. foreign stocks; large cap stocks vs. small cap stocks; corporate bonds vs. government debt instruments), plays a critical role in our investment strategy. Asset allocation seeks to achieve diversification of assets in order to reduce the risk associated with investing all or a significant portion of a client's portfolio in one asset class. We believe that risk reduction is a key element to long-term investment success.

The primary investment strategy we employ is a long-term "buy and hold" strategy. Generally, a long-term purchase is a purchase of a security or investment product with a view to holding the security or product for more than one year. Trade commissions are reduced by buying and selling less often and taxes are often reduced or deferred by holding positions longer. Using a long-term investment strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or your particular investments will decrease in value even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost (e.g., "locking-up" assets that may be better utilized in the short-term in other investments).

To a lesser extent, we might also make short-term purchases. A short-term purchase is a purchase of a security or investment product with the intent of possibly selling it within one year of its purchase. Our investment strategies typically do not include frequent trading (which focuses on opportunistic trades and holding the investment product for only a short period of time). Using a short-term purchase strategy generally assumes that the performance of the financial markets can be accurately predicted over the short-term. The risk associated with a short-term purchase strategy is that there are many factors that may affect market performance in the short term including interest rate fluctuations and cyclical earnings. Such factors may have a smaller impact over the longer-term. In addition, short-term trading may incur a disproportionately higher amount of transaction costs compared to long-term trading.

The particular strategies employed will depend upon the individual needs and risk tolerance of the client. GUARDSMAN rarely employs active strategies dependent on manager selection, stock picking, economic forecasting or market timing skills.

Portfolio Construction. In general, the primary investment vehicles used in constructing the investment portfolio will be exchange-traded funds and mutual funds, depending on which is viewed as the best choice in terms of investment objectives, desired risk factor exposures, size, liquidity, costs and flexibility. To a much lesser extent, individual stocks may also be used but only to achieve specific targeted portfolio exposures.

Asset Allocation. The strategic allocation of the portfolio between risk assets (equities, REITs and alternatives) and fixed income has historically been the most significant determinant of long-term investment returns. Therefore, the focus of GUARDSMAN's investment process is matching the client's financial and personal circumstances with an appropriately constructed and implemented investment portfolio designed to maximize the probability of achieving the client's long term objectives.

Portfolio Rebalancing. Asset class allocations and factor exposures shall be periodically rebalanced and adjusted to account for changing market conditions and circumstances.

Portfolio Expense. Over long periods, portfolio costs can have a significant detrimental effect on investment performance. Therefore, portfolios will generally be constructed with target internal management expenses of 15-30 basis points.

Diversification. GUARDSMAN's portfolios are globally diversified and consist of exposure to thousands of individual companies and issuers. Other than the U.S. Government and certain broadly diversified companies such as Berkshire Hathaway, portfolios shall generally have no more than a 5% allocation to any one company or issuer, whether owned directly or indirectly through fund ownership.

Investment Time Horizon. Due to market volatility, investments in risk assets such as stocks are only appropriate for investors with an investment time horizon of greater than five (5) years.

C. Risk of Loss

Investing in securities involves risk of loss that *clients* should be prepared to bear. Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment or investment strategy will either be suitable or profitable for a client's investment portfolio. Past performance is not indicative of future results. A client should not assume that the future performance of any specific investment, investment strategy, or product will be profitable or equal to past or current performance levels. We cannot assure that the investment objectives of any client will be realized.

Clients face the following general investment risks:

- **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 not buy as much as 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.
- **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, the more frequently a security is traded and the larger the issuer, the more liquid the security is. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Utilizing debt to finance a business' operations increases risk, 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.

While investing in any security involves risk, investing in some types of securities carries special risks. A summary of the special risks associated with some types of securities we may recommend or we may purchase or sell in your account is provided below. Please note that the following summaries are general in nature and do not include an explanation of all risks associated with a given security type.

- a. **Mutual Funds.** Most mutual funds fall into one of three main categories — money market funds, bond funds (also called "fixed income" funds), and stock funds (also called "equity" funds). Generally, the higher the potential return, the higher the risk of loss. A fund's investment objective and its holdings are influential factors in determining risk. Past performance is not a reliable indicator of future performance. Reading the prospectus will help you to understand the risk associated with that particular fund.

Different mutual fund categories have inherently different risk characteristics. For example, a bond fund faces credit risk, interest rate risk, and prepayment risk.

Bond values are inversely related to interest rates. If interest rates rise, bond values will go down and vice versa.

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons - such as the overall strength of the economy or demand for particular products or services. A sector stock fund (which invests in a single industry, such as telecommunications) is at risk that its price will decline due to developments in its industry. A stock fund that invests across many industries is more sheltered from this risk.

For most funds, investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs. In addition, depending on the timing of their investment, investors may also have to pay taxes on any capital gains distribution they receive.

- b. Exchange-traded Funds ("ETFs"). ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because (i) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark, (ii) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable, and (iii) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF.
- c. Cash Equivalents. Cash equivalents are the most liquid investment assets with low risk and low returns. Cash equivalents are short-term fixed income assets with maturity of 3 months or less. However, these assets are subject to interest rate risk. Interest rates may fluctuate due to certain events taking place in the world including but not limited to economic events, geopolitical or social instability (global, regional or local), currency, interest rate and commodity price changes, and government or governmental agency responses to economic or political conditions.
- d. Common Stocks. The major risks associated with investing in common stocks relate to the issuer's capitalization, quality of the issuer's management, quality and cost of the issuer's services, the issuer's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, and the issuer's ability to create shareholder value (e.g., increase the value of the company's stock price).
- e. Convertible Stocks. The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value." The investment value of a convertible security is influenced by changes in interest rates, the credit standing of the issuer and other factors. The conversion value of a convertible security is determined

by the market price of the underlying common stock. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. A convertible security will generally be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security is called for redemption, the investor will be required to permit the issuer to redeem the security, convert it into the underlying common stock, or sell it to a third party. Any of these actions could have an adverse effect on the investor's ability to achieve his/her investment objective(s).

- f. Bonds. Bonds are subject to credit risk, which is the risk of default associated with the issuer. Bonds are also subject to interest rate risk or the risk that changes in interest rates during the term of the bond might affect the market value of the bond prior to the call or maturity date. Investors should also consider inflation risk, which is the risk that the rate of the yield to call or maturity will not provide a positive return over the rate of inflation for the period of the investment.
- g. Foreign-Issued Securities. Debt and equity investments associated with foreign countries may involve increased volatility and risk due to, without limitation:
 - Political Risk. Many foreign countries are undergoing, or have undergone in recent years, significant political change that has affected government policy, including changes in the regulation of industry, trade, financial markets, and foreign and domestic investment. The relative instability of these political systems leaves these countries more vulnerable to economic hardship, public unrest or popular dissatisfaction with reform, political or diplomatic changes, social instability, or changes in government policies. For investors, the results may include confiscatory taxation, exchange controls, compulsory reacquisition, nationalization or expropriation of foreign-owned assets without adequate compensation, or the restructuring of certain industry sectors in a way that could adversely affect investments in those sectors.
 - Sovereign Risk. Strikes, the imposition of exchange controls, or declarations of war may prevent or impede repayment of funds due from a particular country.
 - Economic Risk. The economies of these countries may be more vulnerable to rising interest rates and inflation. Investments may be negatively affected by rates of economic growth, corporate profits, domestic and international flows of funds, external and sovereign debt, dependence on international trade, and sensitivity to world commodity prices. Additionally, a change in tax regime may result in the sudden imposition of arbitrary or additional taxes.
 - Currency Risk. The weakening of a country's currency relative to the U.S. dollar or to other benchmark currencies will negatively affect the dollar value of an instrument denominated in that currency.

- *Credit Risk*. Issuers and obligors of sovereign and corporate debt may be unable to make timely coupon or principal payments, thereby causing the underlying debt or loan to enter into default.
- *Liquidity Risk*. Natural disasters as well as economic, social, and political developments in a country may cause a decrease in the liquidity of investments related to that country, making it difficult to sell quickly, and/or subjecting the seller to substantial price discounts.

The nature and extent of these risks vary from country to country, among investment instruments, and over time.

- h. *Emerging Market Securities*. Investments and transactions in products linked to issuers and obligors incorporated, based, or principally engaged in business in emerging markets countries carry increased risk and volatility. In addition to the political, sovereign, economic, currency, credit, and liquidity risks described above, emerging market securities can be subject to the following risks:
 - *Market Risk*. The financial markets can lack transparency, liquidity, efficiency.
 - *Regulatory Risk*. There may be less government supervision and regulation of business. The supervision that may be in place may be subject to manipulation or control. Disclosure and reporting requirements may be minimal or non-existent.
 - *Legal Risk*. The process of legal reform may not proceed at the same pace as market developments, which could result in uncertainty. Legislation to safeguard the rights of private ownership may not yet be in place.
 - *Settlement and Clearing Risk*. The registration, recordkeeping and transfer of instruments may be carried out manually, which may cause delays.
- i. *Municipal Securities*. Credit risk is the primary risk associated with municipal securities. Different types of bonds are secured by various types of repayment sources. General obligation ("G.O.") bonds are backed by the full faith and credit and taxing power of the issuer. With revenue bonds, the interest and principal are dependent upon the revenues paid by users of a facility or service or other dedicated revenues including special tax revenues. The probability of repayment as promised is often determined by an independent reviewer, or "rating agency." An investor might also consider that consumer spending that provides the funding or income stream for revenue bond issuers may be more vulnerable to changes in consumer tastes or a general economic downturn compared to G.O. bonds.

There may be other circumstances not described here that could adversely affect a client's investment and prevent the portfolio from reaching its objective. Prior to entering into an investment advisory agreement with us, you should carefully consider: (i) committing to management only those assets that you believe will not be

needed for current purposes and that can be invested on a long-term basis; (ii) that volatility from investing in the market can occur; and (iii) that, over time, the value of your portfolio may fluctuate and may, at any time, be worth more or less than the amount originally invested.

Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding certain legal or disciplinary events related to the adviser or the adviser's management. Neither GUARDSMAN nor any of its management personnel has been subject to any such legal or disciplinary events.

Item 10 - Other Financial Industry Activities and Affiliations

A. Financial Industry Activities

GUARDSMAN is not registered as a securities broker-dealer, a futures commission merchant, commodity pool operator or commodity trading advisor, and there is no pending application to register in any such capacities. No management person of GUARDSMAN is registered or has an application pending to register as an associated person of any of the foregoing entity types.

B. Affiliations

GUARDSMAN does not have any arrangements with a related person who is a broker-dealer, investment company, other investment advisor, financial planning firm, commodity pool operator, commodity trading advisor or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships. However, an investment adviser representative of GUARDSMAN, Randall Arnaud, is also an investment adviser representative of and owner of Financial Services Network, Inc. ("FSN") a registered investment adviser. GUARDSMAN is not otherwise affiliated with FSN. GUARDSMAN does not provide advisory services to FSN and FSN does not provide advisory services to GUARDSMAN. Mr. Arnaud may introduce clients of FSN to GUARDSMAN and thereafter service such advisory clients through GUARDSMAN. GUARDSMAN may direct to FSN compensation payable to Mr. Arnaud.

C. Other Relationships and/or Arrangements Material to Advisory Business

Jeffrey McCurdy, the President of GUARDSMAN, has established a separate business, Guardsman Wealth Management, Inc. ("GWM"), to handle non-investment advisory services for clients. As requested by clients and pursuant to a separate arrangement with GWM, GWM provides clients additional services, which primarily include family office administration and real estate services, including, but not limited to: bill pay,

accounting, portfolio company oversight, administrative and executive support, litigation support, tax oversight, credit negotiation and structuring, risk management, entity administration, property management, property search, due diligence, negotiation of investment terms, credit facility negotiation and structuring, acquisition management, sale negotiation and management and 1031 exchange support. GWM is not a registered investment advisor and does not provide any investment advice to its clients or clients of GUARDSMAN. Jeffrey McCurdy acts as a manager, officer or authorized agent to non-security investment related entities of clients and client families.

GUARDSMAN or its Related Persons (defined below) may, and currently do, purchase for themselves securities or other investments (including joint investments) or interests in businesses, operating companies, real estate, and/or franchises which one or more clients partially or fully own, previously owned, or will own in the future.

GUARDSMAN and GWM share office space and personnel, which may cause an actual or apparent conflict and information risks. Additionally, by virtue of that shared space, personnel or contractors of GWM, if any, who are not associated with GUARDSMAN may have access to confidential or client information. Nevertheless, GUARDSMAN tries to mitigate potential conflicts.

Certain GUARDSMAN employees or contractors, if any, may also serve in salaried or non-salaried dual employee or dual contractor roles for GWM and/or one or more other affiliates. In this dual employee or dual contractor role (e.g., as employees of GWM), the employees or contractors provide services to clients who have also engaged GUARDSMAN as an investment advisor. In such roles, GUARDSMAN dual employees or dual contractors may also manage certain GWM client accounts utilizing GWM's business operations and capabilities, which generate fees and other revenue for GWM (and vice versa). GUARDSMAN does not generally provide or receive compensation associated with this service arrangement, but may record revenue related to such arrangements on internal or intercompany financials or as a credit on GUARDSMAN internal management reporting.

GUARDSMAN and GWM share the same email systems and servers. Accordingly, dual employees and/or dual contractors, if any, have access to the email servers and file networks ("electronic networks") of both GUARDSMAN and GWM.

All of the foregoing other business involvement and activities pose conflicts of interest and competes for the time and investment ideas of GUARDSMAN Related Persons.

Item 11 - Code of Ethics

A. Code of Ethics

Pursuant to SEC Rule 204A-1, GUARDSMAN has adopted a written Code of Ethics ("Code") that sets forth standards of conduct and certain federal securities law requirements applicable to all employees of the firm. This Code is available for review by clients and prospective clients upon request.

As a fiduciary, GUARDSMAN has a duty of utmost good faith to act solely in the best interests of our clients and to provide the highest level of trust and fair dealing. Our personnel are required to conduct themselves with integrity at all times and follow the principles and policies detailed in our Code. In keeping with this standard of conduct, GUARDSMAN incorporates the following Fiduciary Pledge as part of our advisory agreement:

1. We will act as a fiduciary and as such, we will always put our client's best interest first — ahead of our own and that of our firm.
2. We will act in utmost good faith and provide objective and unbiased advice.
3. We will act prudently, with the care, skill, diligence and judgment of a professional.
4. We will use our best efforts to avoid any conflicts of interest and we will fully disclose and fairly manage, in the client's favor, unavoidable conflicts.
5. We will always seek to control investment expenses.
6. We will provide full and fair disclosure of all important facts.
7. We will be truthful, honest and accurate in all communications.
8. Our Investment Advisory Fee shall be fully disclosed and shall be our only compensation. We will not accept any other compensation, whether direct or indirect, based on product sales or advice given.

The Code further requires that GUARDSMAN shall periodically review the personal securities transactions and holdings of access persons. The Code also describes our policies regarding the protection of confidential information, including the client's nonpublic personal information, training of personnel, and recordkeeping. Policies governing gifts, business entertainment, and charitable contributions are included in separate procedures adopted by the Firm.

B. Participation or Interest in Client Transactions

GUARDSMAN acts as an investment manager for multiple clients and may give advice and take action with respect to any of its accounts it manages that may differ from action taken by GUARDSMAN on behalf of other accounts. GUARDSMAN is not obligated to buy, or sell or to refrain from recommending, buying, or selling, any security that GUARDSMAN or its Access Persons (defined below) may buy or sell for their own accounts or for the accounts of any other client. GUARDSMAN is not obligated to refrain from investing in securities held by accounts that it manages except to the extent that such investments violate the Code adopted by GUARDSMAN.

Certain GUARDSMAN officers, members, contractors, and employees may also, but will likely not, be clients. One or more of GUARDSMAN's officers, members, employees

("Related Persons") act as managers or officers for personal or family entities of advisory clients. GUARDSMAN may invest client accounts in, among other things, securities or businesses in which GUARDSMAN or its Related Persons have a financial interest. GUARDSMAN or its Related Persons may, and currently do, purchase for themselves securities or other investments (including joint investments) or interests in businesses, operating companies, real estate, and/or franchises which one or more clients partially or fully own, previously owned, or will own in the future. As these situations may represent a potential conflict of interest, GUARDSMAN has adopted procedures relating to personal securities transactions and insider trading, both of which are described below, that are reasonably designed to prevent actual conflicts of interest.

If it is appropriate to buy or sell a security at the same time for both a client, upon the client's prior instruction, and a Related Person, combined orders may be placed. If any order is not filled at the same price, prices obtained may be allocated among accounts on an average basis. Placing combined orders is not required. There may be times when the sale or purchase of a security for a Related Person may precede, occur at the same time, or follow the sale or purchase of a security for a client, subject to the overriding principle that the interests of clients must come before the interests of GUARDSMAN or its Related Persons.

GUARDSMAN may manage simultaneously parallel accounts, in some cases with similar objectives, but with differing fees to GUARDSMAN. GUARDSMAN's policy is to manage each account independently and fairly and recognizes and seeks to control the conflicts of interests inherent in such practices.

To the extent that GUARDSMAN advises or sub-advises client accounts for affiliates, GUARDSMAN is responsible for and knowledgeable about such affiliates' client accounts, and certain affiliate personnel will receive information about GUARDSMAN investment activity for the account. One or more GUARDSMAN officers, if more than one, may also have officer titles at other affiliates. The sale or other sharing of or shared access to research or other information might allow its recipient to compete with or precede GUARDSMAN with respect to an investment opportunity on behalf of itself or its clients.

GUARDSMAN or an affiliate may participate in one or more of the investment entity's it advises. In addition, certain employees, if any, of GUARDSMAN may also be permitted to invest in the investment entities as knowledgeable employees.

GUARDSMAN personnel may receive gifts and gratuities, including travel and entertainment, from GUARDSMAN's clients. GUARDSMAN does not favor clients who give gifts over clients who do not.

C. Personal Trading

The Chief Compliance Officer of GUARDSMAN is Jeffrey McCurdy, who reviews all employee trades each quarter. Employees may not trade their own securities ahead of client trades. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients receive preferential treatment.

Employees must submit their brokerage statements quarterly to the Chief Compliance Officer for review and archiving. However, there is no person senior to or otherwise independent from the Chief Compliance Officer and transactions in the personal securities account(s) of the Chief Compliance Officer may not receive the same internal scrutiny as accounts of other employees, if any. Employees may purchase and sell securities for their own accounts that have also been recommended to clients. The Code is designed to assure that the personal securities transactions and interests of the employees will not interfere with making decisions in the best interest of clients. Nonetheless, because the Code permits employees to invest in the same securities as clients, there is a possibility that employees might benefit from transaction activity by a client.

GUARDSMAN personnel may receive or give certain gifts and gratuities or travel/entertainment from or to broker-dealers or other persons with whom GUARDSMAN does business. This may include such things as tickets to sporting events, or the theater, meals and other entertainment, transportation, attendance at seminars or other educational, training or informational events, logo items and other items of small value, gifts associated with life events such as birthdays, weddings, anniversaries, and other gifts of more substantial value. Receipt of such gifts and gratuities might be viewed as causing a conflict of interest for GUARDSMAN in selecting brokers and dealers and other service providers to the extent that GUARDSMAN has been given the prior approval to make such selections. As the President and Chief Compliance Officer of GUARDSMAN, Mr. McCurdy is responsible for supervising the advisory activities of GUARDSMAN. There are conflicts of interest associated with such self-supervision.

D. Insider Trading Policy

GUARDSMAN may, from time to time, come into possession of material nonpublic and other confidential information which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, GUARDSMAN may be prohibited from improperly disclosing or using such information for its personal benefit or for the benefit of any other person, regardless if such other person is a client. Accordingly, should such persons come into possession of material nonpublic or other confidential information with respect to any company, they may be prohibited from communicating such information to, or using such information for the benefit of, clients and have no obligation or responsibility to disclose such information to, nor responsibility to use such information for the benefit of, clients when following policies and procedures designed to comply with law.

GUARDSMAN has established procedures to prevent the misuse of material nonpublic information by supervised persons. Supervised persons are prohibited from trading, either personally or on behalf of others, while in possession of material nonpublic information in violation of the law. Any supervised person who fails to observe the aforementioned policies risks serious sanctions, including dismissal and personal liability.

Item 12 - Brokerage Practices

A. Selection of Broker-Dealer

Recommendation of Broker-Dealer. GUARDSMAN does not have any affiliation with product sales firms. GUARDSMAN recommends broker-dealers based on many factors including experience, financial strength, stability, custody services, reporting capabilities, promptness of execution, commission rates and fees, customer service, commitment to technology and security of confidential information, and reputation.

GUARDSMAN typically recommends TD Ameritrade as the executing broker-dealer and custodian for the advisory accounts. GUARDSMAN might also recommend other discount broker-dealers such as Fidelity, Vanguard, Charles Schwab, or Interactive Brokers. While GUARDSMAN will recommend a particular broker-dealer, the client will ultimately determine whether to establish a brokerage account with the recommended broker-dealer. Establishment of a brokerage account is accomplished by the client entering into an account agreement directly with the broker-dealer.

Soft Dollar Considerations. A “soft dollar” arrangement occurs when a firm directs its brokerage to a particular broker-dealer that charges brokerage commissions that are higher than they would be for an “execution only” trading relationship in exchange for products or services, such as research. Under such an arrangement, the firm would receive a benefit because it would not have to produce or pay for the products or research. In soft dollar arrangements, over time, investment performance may deteriorate by that higher commission cost, particularly where the soft dollars are not used to purchase research that enhances performance. The performance of individual investment accounts will deteriorate if the benefits of the services are not allocated back to the accounts that paid the extra commissions for the services.

GUARDSMAN participates in the TD Ameritrade Institutional program. GUARDSMAN receives some benefits from TD Ameritrade through its participation in the program. Benefits include computer software and related systems support to monitor the advisory client accounts at TD Ameritrade, access to a trading desk that exclusively services the advisors participating in the institutional program, and access to block trading capabilities. We may have an incentive to recommend TD Ameritrade based on our interest in receiving these benefits, rather than on our clients’ interest in receiving most favorable execution. However, we believe that our clients that use TD Ameritrade will benefit from our participation in this program. We make a good faith determination that the commissions and fees paid are reasonable in relation to the value of brokerage products or services received either in terms of the particular transaction or GUARDSMAN’s overall responsibilities with respect to the client accounts.

Referral of Advisory Accounts. GUARDSMAN does not have arrangements in which directed brokers refer clients to GUARDSMAN.

B. Best Execution

Transactions for a client that directs brokerage to a broker-dealer other than TD Ameritrade might not be aggregated with orders for the same securities for other accounts managed by GUARDSMAN that do maintain accounts at TD Ameritrade. In such a case, best price might not be achieved. In addition, trades for a client that has directed use of a particular broker or dealer may be placed at the end of aggregated trading activity for a particular security. Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in the client receiving less favorable pricing. Under these circumstances, the direction by a client of a particular broker or dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices, including minimum ticket charges. If any portion of a client account is managed by another money manager, such manager may have different directed brokerage policies. Please see the Form ADV Part 2A Brochure of such managers for further information.

Clients may pay commissions higher than those obtainable from other brokers for the same services rendered by GUARDSMAN or the broker/dealer or other intermediary used for execution or custody.

In observance of its fiduciary duty, GUARDSMAN will, at least annually, conduct a survey to determine whether the Firm is meeting its duty of best execution where the Client accepts GUARDSMAN's recommendation to use a particular broker-dealer or where GUARDSMAN selects the broker-dealer for execution.

C. Order Aggregation

Aggregation or "blocking" of client transactions allows an adviser to execute transactions in a more timely, equitable, and efficient manner and seeks to reduce overall commission charges. Not aggregating may increase costs to clients. From time to time, we may determine that the purchase or sale of a particular security is appropriate for multiple advisory client accounts, based on a variety of reasons. When this happens, we may determine that it is appropriate in the interests of efficient and effective execution to attempt to execute the trade orders as one or more block trades (i.e., aggregate the individual trade for each account into one or more trade orders). These circumstances may, in turn, give rise to actual or potential conflicts of interest among the accounts for whom the security purchase or sale is appropriate, and among the subset of those accounts actually participating in a block trade, especially if the block trade order results in a partial fill. In order to address these conflicts, we have adopted certain policies and procedures that we follow when aggregating trades in an effort to provide an objective and equitable method of trade allocation so that all clients are treated fairly. The basic objectives of these policies and procedures are as follows:

1. We will only aggregate trades when we believe that the aggregation is consistent with our duty to seek best execution for our clients;

2. We will strive to ensure that no client account is favored over any other client account; and
3. Each account that participates in an aggregated transaction shall participate at the average of the executed share price for that security, with transaction costs shared on a pro rata basis.

D. Trade Error Policy

From time to time, errors may occur in the trading process, including (1) overbuying or overselling of securities, into or out of an account, caused by clerical errors made by our personnel, or (2) buying or selling of securities, into or out of an account, which is in violation of a client's stated investment guidelines that had been previously communicated to us in writing.

In all cases of a trade error caused by us, it is our policy to endeavor to resolve the error in the best interest of the client and adjust the trade as needed in order to put the client's account in such a position as if the error had not occurred. Where our trade error results in a gain and the client is unable or restricted from receiving that gain for any reason, we will calculate the net gains from errors each year and donate the net gain to charity.

13 - Review of Accounts

A. Periodic Reviews

Account reviews are performed periodically by Jeffrey McCurdy and/or Randall Arnaud. Review frequency depends upon account needs, client objectives and market conditions. Reviews may be undertaken because of, (i) change in market conditions, (ii) client request, (iii) changes in client objectives or circumstances, or (iv) preparation for a client meeting. Account performance, asset allocation, security selection, taxable gain or loss position, portfolio expenses and portfolio diversification are among matters that are reviewed.

B. Regular Reports

GUARDSMAN does not create and send regular reports to clients. GUARDSMAN sends personalized reports to clients based on client requests. See also Item 15 below regarding quarterly reports that may be sent to clients by their qualified custodians.

14 - Client Referrals and Other Compensation

A. Referrals

GUARDSMAN does not compensate parties for referrals to GUARDSMAN. GUARDSMAN does not accept referral fees or any form of compensation when GUARDSMAN refers a client to outside professionals such as accountants or attorneys.

B. Other

Product sponsors or other third parties may offer GUARDSMAN representatives invitations to training sessions, due diligence visits, or other meeting or events at the expense of the third party. These invitations are not offered directly as a result of any amount of business placed with the third party although the volume of business placed with a particular party may be indirectly related.

15 - Custody

GUARDSMAN does not obtain actual physical custody of client's monies or securities. However, we are deemed to have custody for regulatory purposes when we have the authority to deduct advisory fees directly from the client's account. Clients should receive, on at least a quarterly basis, statements from the broker/dealer, bank or other qualified custodian that holds and maintains the client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the consolidated account statements that we may provide to you. Our statements

may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

From time to time, GUARDSMAN may generate net worth statements for clients. These net worth statements contain approximations of bank account balances, estimations on the value of land, hard-to-price real estate, collectibles and closely held business interests as well as other assets based on information provided by the client. GUARDSMAN does not independently verify or evaluate such information.

16 - Investment Discretion

GUARDSMAN accepts discretionary authority to manage securities accounts on behalf of clients in accordance with client's objectives. GUARDSMAN 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.

In order to authorize GUARDSMAN to have discretionary authority for trading, clients execute a limited power of attorney with each custodian. This limited power of attorney grants GUARDSMAN trading authority over client's accounts but does not allow GUARDSMAN to withdraw or transfer funds outside of the account.

17 - Voting Client Securities

GUARDSMAN does not vote proxies on securities except upon client's specific requests.

18 - Financial Information

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